

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2018 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</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>ELGIN FASTENER GROUP, LLC MASTER SAVINGS AND PROFIT SHARING PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>001</u>
		1c	Effective date of plan <u>06/01/2011</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>ELGIN FASTENER GROUP, LLC</u> <u>10217 BRECKSVILLE ROAD STE 101</u> <u>BRECKSVILLE, OH 44141</u>	2b	Employer Identification Number (EIN) <u>27-1527683</u>
		2c	Plan Sponsor's telephone number <u>440-249-7144</u>
		2d	Business code (see instructions) <u>333100</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	07/29/2019	LEEANN HEPPNER
	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 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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	5 713
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 585 6a(2) 459 6b 0 6c 120 6d 579 6e 1 6f 580 6g 535 6h 91
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: 2E 2F 2G 2J 2K 2S 2T 3D 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

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)** ☐ 0 **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 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018	
A Name of plan ELGIN FASTENER GROUP, LLC MASTER SAVINGS AND PROFIT SHARING PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 ELGIN FASTENER GROUP, LLC	D Employer Identification Number (EIN) 27-1527683

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
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) 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?
37 60 64 65	RECORDKEEPER	33591	Yes ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

CBIZ FINANCIAL SOLUTIONS INC

52-1396995

(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?
16 27	ADVISOR/ CONSULTANT	29245	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

TRANSAMERICA RETIREMENT SOLUTIONS

13-3689044

(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?
37 60 64 65	RECORD KEEPER		Yes ☒ No ☐	Yes ☐ No ☒	11178	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
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
ABF SM CAP VAL INST - BOSTON FINAN 74-0959140	0.04%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
TRP GROWTH STOCK - T. ROWE PRICE S 52-2269240	0.15%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	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 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>ELGIN FASTENER GROUP, LLC MASTER SAVINGS AND PROFIT SHARING 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>ELGIN FASTENER GROUP, LLC</u>	D Employer Identification Number (EIN) <u>27-1527683</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: <u>TRANSAMERICA COLLECTIVE TRUST FUNDS</u>		
b Name of sponsor of entity listed in (a): <u>TRANSAMERICA RETIREMENT SOLUTIONS CORPORATION</u>		
c EIN-PN <u>04-6784256-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>WF STABLE FUND C</u>		
b Name of sponsor of entity listed in (a): <u>WELLS FARGO BANK, N.A.</u>		
c EIN-PN <u>52-2250946-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1340724</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan ELGIN FASTENER GROUP, LLC MASTER SAVINGS AND PROFIT SHARING PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 ELGIN FASTENER GROUP, LLC	D Employer Identification Number (EIN) 27-1527683	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	8288	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	66	0
(2) Participant contributions	1b(2)	78	0
(3) Other.....	1b(3)	604	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	22521	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other.....	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property).....	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans.....	1c(8)	424238	611094
(9) Value of interest in common/collective trusts	1c(9)	1840458	1340724
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities.....	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	20429536	18408760
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	0	0

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	22725789	20360578

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	22725789	20360578
---	-----------	----------	----------

Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	764744	
(B) Participants	2a(1)(B)	1583611	
(C) Others (including rollovers)	2a(1)(C)	315840	
(2) Noncash contributions	2a(2)	0	2664195
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	23778	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		23778
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1061233	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1061233
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(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)	0	
(B) Other	2b(5)(B)	0	
(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)		26303
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-2194173
c Other income.....	2c		-40889
d Total income. Add all income amounts in column (b) and enter total.....	2d		1540447

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3814388	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		3814388
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		16170
h Interest expense.....	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	0	
(2) Contract administrator fees.....	2i(2)	0	
(3) Investment advisory and management fees.....	2i(3)	1084	
(4) Other	2i(4)	74016	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		75100
j Total expenses. Add all expense amounts in column (b) and enter total	2j		3905658

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-2365211
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: BROWN, EDWARDS & COMPANY, LLP

(2) EIN: 54-0504608

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		78
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m	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	X		

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

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____. (See instructions.)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2018</div> <div>This Form is Open to Public Inspection.</div>
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

<div>A Name of plan ELGIN FASTENER GROUP, LLC MASTER SAVINGS AND PROFIT SHARING PLAN</div>	<div>B Three-digit plan number (PN) ► 001</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500 ELGIN FASTENER GROUP, LLC</div>	<div>D Employer Identification Number (EIN) 27-1527683</div>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

<div>1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions</div>	<div>1</div>
<div>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): 04-6568107 13-3689044</div>	
<div>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</div>	
<div>3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year</div>	<div>3</div>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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<div>4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?</div>	<div>☐ Yes ☐ No ☐ N/A</div>
<div>If the plan is a defined benefit plan, go to line 8.</div>	
<div>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</div>	
<div>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</div>	
<div>6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)</div>	<div>6a</div>
<div>b Enter the amount contributed by the employer to the plan for this plan year</div>	<div>6b</div>
<div>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)</div>	<div>6c</div>
<div>If you completed line 6c, skip lines 8 and 9.</div>	
<div>7 Will the minimum funding amount reported on line 6c be met by the funding deadline?</div>	<div>☐ Yes ☐ No ☐ N/A</div>
<div>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?</div>	<div>☐ Yes ☐ No ☐ N/A</div>

Part III	Amendments
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<div>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.</div>	<div>☐ Increase ☐ Decrease ☐ Both ☐ No</div>
--	--

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.
---------	--

<div>10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?</div>	<div>☐ Yes ☐ No</div>
<div>11 a Does the ESOP hold any preferred stock?</div>	<div>☐ Yes ☐ No</div>
<div>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.)</div>	<div>☐ Yes ☐ No</div>
<div>12 Does the ESOP hold any stock that is not readily tradable on an established securities market?</div>	<div>☐ Yes ☐ No</div>

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

Schedule R (Form 5500) 2018
v. 171027

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

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****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

b The corresponding number for the second preceding plan year

15a**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

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

16a**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: _____ % Investment-Grade Debt: _____ % High-Yield Debt: _____ % Real Estate: _____ % Other: _____ %

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):



ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN
FINANCIAL REPORT
DECEMBER 31, 2018



**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

FINANCIAL REPORT

December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
Elgin Fastener Group, LLC
Master Savings and Profit Sharing Plan
Brecksville, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Elgin Fastener Group, LLC Master Savings and Profit Sharing Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statement of changes in net assets available for benefits for the year ended December 31, 2018, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by State Street Bank and Trust Company and Fidelity Management Trust Company, the Trustees 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 State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions from January 1, 2017 to March 1, 2018, and that Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions beginning March 1, 2018. The Plan Administrator has obtained a certification from Fidelity Management Trust Company as of December 31, 2018 and for the period then ended, and from State Street Bank and Trust Company as of March 1, 2018 and December 31, 2017, and for the periods then ended, that the information provided to the Plan Administrator by the Trustees is complete and accurate.

Disclaimer of Opinion

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

Other Matter – Supplemental Schedules

The supplemental Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2018 and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions for the year ended December 31, 2018, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 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 Trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Brown, Edwards & Company, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
July 15, 2019

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments at fair value (Notes 3, 4, and 8)	\$ 19,749,484	\$ 22,269,994
Interest-bearing cash	<u>-</u>	<u>30,809</u>
	19,749,484	22,300,803
Receivables		
Employer contributions	-	66
Participant contributions	-	78
Accrued income	-	604
Notes from participants	<u>632,937</u>	<u>431,621</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 20,382,421</u></u>	<u><u>\$ 22,733,172</u></u>

The Notes to Financial Statements are an integral part of these statements.

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year Ended December 31, 2018

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income (loss) (Notes 3, 4, and 8)	
Net depreciation in fair value of investments	\$ (2,167,657)
Interest and dividends	<u>1,061,233</u>
	(1,106,424)
Contributions	
Employer	741,888
Participant	1,583,611
Rollover	315,840
Interest on notes from participants	<u>24,635</u>
Total additions	<u>1,559,550</u>

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid	3,825,157
Administrative expenses (Note 5)	<u>85,144</u>
Total deductions	<u>3,910,301</u>
Net decrease	(2,350,751)

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of year	<u>22,733,172</u>
End of year	<u><u>\$ 20,382,421</u></u>

The Notes to Financial Statements are an integral part of this statement.

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 1. Plan Description

The following description of Elgin Fastener Group, LLC Master Savings and Profit Sharing Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is a defined contribution plan covering all employees of Elgin Fastener Group, LLC and affiliates (the “Company”), except non-resident aliens, union employees, and leased employees, as defined. The Plan provides for dual eligibility with respect to participant deferrals and employer matching contributions. Employees are eligible to participate and receive employer matching contributions upon completion of 3 months of service.

Effective March 1, 2018, the Plan document was restated to a non-standardized document sponsored by Fidelity Management Trust Company (Fidelity) with Fidelity Management Trust Company as the named Trustee. A provision for Roth deferrals was added and the definition of eligible compensation was updated. No significant changes were made to Plan operations or eligibility criteria. Plan assets were transferred from State Street Bank & Trust Company to Fidelity Management Trust Company effective March 1, 2018.

Contributions

Each year, participants may contribute up to 90% of their eligible compensation, subject to the maximum allowable under *Internal Revenue Code*. Participants who attain age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of contributions into various investment options offered by the Plan. Contributions are subject to certain limitations.

The Plan includes an auto-enrollment provision whereby eligible employees are automatically enrolled and deferrals of 3% of eligible compensation commence. These automatic deferrals are set to increase by 1% each year, to a maximum of 6%. Employees may decline participation in the Plan.

The Company makes safe-harbor matching contributions under a Qualified Automatic Contribution Arrangement (QACA) equal to 100% of the first 2% of compensation plus 50% of the next 4% of compensation, up to a maximum of 6%.

Participant accounts

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

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 1. Plan Description (Continued)

Vesting

Participants are immediately vested in their contributions plus earnings thereon. Vesting in the Company's matching and additional discretionary contribution portions of their accounts plus earnings thereon is based on years of continuous service. A participant is 100% vested in Company matching and profit sharing contributions after two years of credited service.

Forfeitures

Forfeited balances of terminated participants' non-vested accounts may be used to reduce employer contributions, restore participant accounts, or offset plan expenses. At December 31, 2018 and 2017, forfeited non-vested accounts of terminated participants totaled \$1,142 and \$22,522, respectively. During the year ended December 31, 2018, forfeited non-vested amounts of \$96,307 and \$1,782 were used to reduce employer contributions and offset plan expenses, respectively. During the year ended December 31, 2017, forfeited non-vested amounts of \$45,055 were used to reduce employer contributions.

Notes from participants

Participants may borrow from their accounts a minimum of \$1,000, up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Note terms range from one to five years unless the note is for purchase of a primary residence, in which case the term will be 10 years. Notes are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator. The interest rate ranged from 4.25% to 6.25% at December 31, 2018. Principal and interest are paid ratably through payroll deductions.

Payment of benefits

On termination of service due to death, disability, retirement, or other reasons, a participant may elect to receive a lump-sum distribution, installment payments, or partial payments equal to the value of the participant's vested interest in his or her account.

Administrative costs

Plan administrative expenses may be paid by the Company or the Plan on a discretionary basis.

Note 2. Significant Accounting Policies

Basis of accounting

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

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 2. Significant Accounting Policies (Continued)

Basis of accounting (Continued)

Investment contracts held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measurement attribute for fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan.

Estimates

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

Interest-bearing cash

For purposes of preparing the statements of net assets available for benefits, the State Street Bank and Trust Cash Reserve Account is considered interest-bearing cash. This account is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution.

Valuation of investments and income recognition

Investments are reported 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. See Note 3 for discussion of fair value measurements.

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

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

Notes from participants

Notes from participants are reported at their unpaid principal balances plus any accrued but unpaid interest.

Payment of benefits

Benefit payments are recorded when paid.

(Continued)

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS
December 31, 2018

Note 2. Significant Accounting Policies (Continued)

Subsequent events

Subsequent events have been evaluated through July 15, 2019, the date the financial statements were available to be issued.

Note 3. Fair Value Measurements

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available.

The Plan was invested in the Transamerica Retirement Solutions Collective Trust Stable Pooled Fund at December 31, 2017 and the Wells Fargo Stable Fund C at December 31, 2018. Both of these investments are wholly invested in Wells Fargo Stable Fund G. These investments are composed primarily of investment contracts and security-backed contracts and are valued at the net asset value of units of the Wells Fargo Stable Return Fund G. The net asset value is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported net asset value. Participant transactions (purchases and sales) may occur daily. There is a twelve month notice period if the Plan initiates a full redemption of the collective investment trust.

(Continued)

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Note 3. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2018 and 2017. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

	Fair Value Measurements at Reporting Date Using:	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
<u>December 31, 2018</u>		
Mutual funds	\$ 18,408,760	\$ 18,408,760
Total assets in fair value hierarchy	18,408,760	18,408,760
Investments measured at NAV (a)	1,340,724	-
Investments at fair value	<u>\$ 19,749,484</u>	<u>\$ 18,408,760</u>
<u>December 31, 2017</u>		
Mutual funds	\$ 20,429,536	\$ 20,429,536
Total assets in fair value hierarchy	20,429,536	20,429,536
Investments measured at NAV (a)	1,840,458	-
Investments at fair value	<u>\$ 22,269,994</u>	<u>\$ 20,429,536</u>

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

Level 1 Fair Value Measurements

The fair values of mutual funds are based on quoted net asset values of the shares held by the Plan at year end.

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Note 3. Fair Value Measurements (Continued)

Investments Measured Using the Net Asset Value per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2018 and 2017. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
December 31, 2018				
Wells Fargo Stable Fund C	\$ 1,340,724	None	Daily	12 months
December 31, 2017				
Transamerica Retirement Solutions Collective Trust Stable Pooled Fund	\$ 1,840,458	None	Daily	12 months

Note 4. Investment Contracts

The Plan had investments in the Transamerica Retirement Solutions Collective Trust Stable Pooled Fund at December 31, 2017 and through February 28, 2018. The fund invests in the Wells Fargo Stable Value Fund W, which invests wholly in the Wells Fargo Stable Return Fund G. As of December 31, 2018 the Plan had investments in Wells Fargo Stable Value Fund C, which invests wholly in the Wells Fargo Stable Return Fund G. The Wells Fargo Stable Return Fund G primarily invests in investment contracts and security-backed contracts issued by insurance companies and other financial institutions. These contracts are considered to be benefit-responsive and are required to be stated at fair value. The average yields for Wells Fargo Stable Return Fund G are as follows:

	<u>2018</u>	<u>2017</u>
Based on annualized earnings	3.07%	2.36%
Based on interest rate credited to participants	2.43%	2.14%

The objective of the Wells Fargo Stable Value Fund C is to provide investors with a moderate level of stable income without principal volatility. However, there is no assurance that this objective will be achieved.

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 5. Related Party Transactions

Officers or employees of the Company perform certain administrative functions. These employees are also Plan participants. No such officer or employee receives compensation from the Plan.

Plan participants directed their investments in funds issued and managed by the Plan Trustees. Investments in funds issued by the Trustee are considered related party transactions. Fees paid to the Plan Trustees by the Plan for investment management and administrative services were \$75,100 for the year ended December 31, 2018.

Note 6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will be 100% vested in their accounts.

Note 7. Tax Status

The Plan was restated effective January 1, 2016 to an approved volume submitter plan sponsored by Transamerica Retirement Solutions Corporation. Transamerica Retirement Solutions Corporation received a letter from the Internal Revenue Service dated March 31, 2014, stating that its volume submitter plan is designed in accordance with applicable sections of the *Internal Revenue Code (IRC)*.

The Plan was restated effective March 1, 2018 to an approved volume submitter plan sponsored by Fidelity Management & Research Company. Fidelity Management & Research Company received a letter from the Internal Revenue Service dated March 31, 2014, stating that its volume submitter plan is designed in accordance with applicable sections of the *Internal Revenue Code (IRC)*. The Plan Administrator believes that the Plan is currently being operated in compliance with the applicable requirements of the *IRC*.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2018 there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Note 8. Trustees' Certification

Certain information was certified as complete and accurate by the Plan's Trustees. That information is as follows:

- Investment assets
- Investment transactions
- Investment income
- Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
- Notes from participants

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	<u>2018</u>	<u>2017</u>
Net assets available for benefits per the financial statements	\$ 20,382,421	\$ 22,733,172
Deemed distributed notes to participants	<u>(21,843)</u>	<u>(7,383)</u>
Net assets available for benefits per the Form 5500	<u>\$ 20,360,578</u>	<u>\$ 22,725,789</u>

The following is a reconciliation of the change in net assets available for benefits per the financial statements to Schedule H of Form 5500.

	<u>2018</u>
Net decrease in net assets available for benefits per financial statements	\$ (2,350,751)
Change in deemed distributed notes to participants	<u>(14,460)</u>
Net decrease per Schedule H of Form 5500	<u>\$ (2,365,211)</u>

SUPPLEMENTAL INFORMATION

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN
(EIN: 27-1527613) (Plan: 001)

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2018

(a)	(b) Identity of Issuer	(c) Description of Investment Including Maturity Date, Rate of Interest, Par, or Maturity Value	(d) Cost	(e) Current Value or Contract Value
	Vanguard	Target Retirement 2055	\$ **	\$ 219,046
	T. Rowe Price	Growth Stock	**	2,799,741
	Vanguard	Selected Value	**	11,150
	Vanguard	Target Retirement 2065	**	7,447
	Goldman Sachs	Bond R6	**	938,881
	Vanguard	Target Retirement 2020	**	733,912
	Vanguard	Target Retirement 2030	**	1,343,537
	Vanguard	Target Retirement 2040	**	561,329
	Vanguard	Target Retirement 2050	**	420,145
	Vanguard	500 Index Adm	**	2,161,588
	Wells Fargo	Stable Fund C	**	1,340,724
	Vanguard	Small Cap Index Adm	**	146,706
	Vanguard	Windsor II Adm	**	1,776,882
	Vanguard	Midcap Index Adm	**	33,743
	Vanguard	Explorer Adm	**	1,232,328
	Vanguard	Developing Market Index Adm	**	495,400
	Alliance Bernstein	Small Cap Value Inst.	**	484,485
	Vanguard	Target Retirement Income	**	128,419
	Vanguard	Target Retirement 2015	**	8,981
	Vanguard	Target Retirement 2025	**	1,728,335
	Vanguard	Target Retirement 2035	**	1,444,041
	Vanguard	Target Retirement 2045	**	294,409
	American Funds	Europacific Growth R6	**	1,272,904
	Alliance Bernstein	Global Bond Z	**	5,539
	J.P. Morgan	Mid Cap Growth R6	**	40,844
	Vanguard	Target Retirement 2060	**	118,968
*	Participant Loans	Various maturities, interest rate range 4.25% - 6.25%	-	611,094
				<u>\$ 20,360,578</u>

* Party-in-interest

** Cost omitted for participant directed investments

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN
(EIN: 27-1527613) (Plan: 001)**

**SCHEDULE H, LINE 4a – SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
Year Ended December 31, 2018**

Participant Contributions Transferred Late to the Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if late participant loan repayments are included: ☐	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 78	\$ -	\$ 78	\$ -	\$ -



ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN
FINANCIAL REPORT
DECEMBER 31, 2018



**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

FINANCIAL REPORT

December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
Elgin Fastener Group, LLC
Master Savings and Profit Sharing Plan
Brecksville, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Elgin Fastener Group, LLC Master Savings and Profit Sharing Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statement of changes in net assets available for benefits for the year ended December 31, 2018, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by State Street Bank and Trust Company and Fidelity Management Trust Company, the Trustees 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 State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions from January 1, 2017 to March 1, 2018, and that Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions beginning March 1, 2018. The Plan Administrator has obtained a certification from Fidelity Management Trust Company as of December 31, 2018 and for the period then ended, and from State Street Bank and Trust Company as of March 1, 2018 and December 31, 2017, and for the periods then ended, that the information provided to the Plan Administrator by the Trustees is complete and accurate.

Disclaimer of Opinion

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

Other Matter – Supplemental Schedules

The supplemental Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2018 and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions for the year ended December 31, 2018, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 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 Trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Brown, Edwards & Company, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
July 15, 2019

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments at fair value (Notes 3, 4, and 8)	\$ 19,749,484	\$ 22,269,994
Interest-bearing cash	<u>-</u>	<u>30,809</u>
	19,749,484	22,300,803
Receivables		
Employer contributions	-	66
Participant contributions	-	78
Accrued income	-	604
Notes from participants	<u>632,937</u>	<u>431,621</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 20,382,421</u></u>	<u><u>\$ 22,733,172</u></u>

The Notes to Financial Statements are an integral part of these statements.

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year Ended December 31, 2018

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income (loss) (Notes 3, 4, and 8)	
Net depreciation in fair value of investments	\$ (2,167,657)
Interest and dividends	<u>1,061,233</u>
	(1,106,424)
Contributions	
Employer	741,888
Participant	1,583,611
Rollover	315,840
Interest on notes from participants	<u>24,635</u>
Total additions	<u>1,559,550</u>

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid	3,825,157
Administrative expenses (Note 5)	<u>85,144</u>
Total deductions	<u>3,910,301</u>
Net decrease	(2,350,751)

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of year	<u>22,733,172</u>
End of year	<u><u>\$ 20,382,421</u></u>

The Notes to Financial Statements are an integral part of this statement.

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 1. Plan Description

The following description of Elgin Fastener Group, LLC Master Savings and Profit Sharing Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is a defined contribution plan covering all employees of Elgin Fastener Group, LLC and affiliates (the “Company”), except non-resident aliens, union employees, and leased employees, as defined. The Plan provides for dual eligibility with respect to participant deferrals and employer matching contributions. Employees are eligible to participate and receive employer matching contributions upon completion of 3 months of service.

Effective March 1, 2018, the Plan document was restated to a non-standardized document sponsored by Fidelity Management Trust Company (Fidelity) with Fidelity Management Trust Company as the named Trustee. A provision for Roth deferrals was added and the definition of eligible compensation was updated. No significant changes were made to Plan operations or eligibility criteria. Plan assets were transferred from State Street Bank & Trust Company to Fidelity Management Trust Company effective March 1, 2018.

Contributions

Each year, participants may contribute up to 90% of their eligible compensation, subject to the maximum allowable under *Internal Revenue Code*. Participants who attain age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of contributions into various investment options offered by the Plan. Contributions are subject to certain limitations.

The Plan includes an auto-enrollment provision whereby eligible employees are automatically enrolled and deferrals of 3% of eligible compensation commence. These automatic deferrals are set to increase by 1% each year, to a maximum of 6%. Employees may decline participation in the Plan.

The Company makes safe-harbor matching contributions under a Qualified Automatic Contribution Arrangement (QACA) equal to 100% of the first 2% of compensation plus 50% of the next 4% of compensation, up to a maximum of 6%.

Participant accounts

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

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 1. Plan Description (Continued)

Vesting

Participants are immediately vested in their contributions plus earnings thereon. Vesting in the Company's matching and additional discretionary contribution portions of their accounts plus earnings thereon is based on years of continuous service. A participant is 100% vested in Company matching and profit sharing contributions after two years of credited service.

Forfeitures

Forfeited balances of terminated participants' non-vested accounts may be used to reduce employer contributions, restore participant accounts, or offset plan expenses. At December 31, 2018 and 2017, forfeited non-vested accounts of terminated participants totaled \$1,142 and \$22,522, respectively. During the year ended December 31, 2018, forfeited non-vested amounts of \$96,307 and \$1,782 were used to reduce employer contributions and offset plan expenses, respectively. During the year ended December 31, 2017, forfeited non-vested amounts of \$45,055 were used to reduce employer contributions.

Notes from participants

Participants may borrow from their accounts a minimum of \$1,000, up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Note terms range from one to five years unless the note is for purchase of a primary residence, in which case the term will be 10 years. Notes are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator. The interest rate ranged from 4.25% to 6.25% at December 31, 2018. Principal and interest are paid ratably through payroll deductions.

Payment of benefits

On termination of service due to death, disability, retirement, or other reasons, a participant may elect to receive a lump-sum distribution, installment payments, or partial payments equal to the value of the participant's vested interest in his or her account.

Administrative costs

Plan administrative expenses may be paid by the Company or the Plan on a discretionary basis.

Note 2. Significant Accounting Policies

Basis of accounting

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

(Continued)

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS
December 31, 2018

Note 2. Significant Accounting Policies (Continued)

Basis of accounting (Continued)

Investment contracts held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measurement attribute for fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan.

Estimates

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

Interest-bearing cash

For purposes of preparing the statements of net assets available for benefits, the State Street Bank and Trust Cash Reserve Account is considered interest-bearing cash. This account is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution.

Valuation of investments and income recognition

Investments are reported 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. See Note 3 for discussion of fair value measurements.

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

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

Notes from participants

Notes from participants are reported at their unpaid principal balances plus any accrued but unpaid interest.

Payment of benefits

Benefit payments are recorded when paid.

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 2. Significant Accounting Policies (Continued)

Subsequent events

Subsequent events have been evaluated through July 15, 2019, the date the financial statements were available to be issued.

Note 3. Fair Value Measurements

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available.

The Plan was invested in the Transamerica Retirement Solutions Collective Trust Stable Pooled Fund at December 31, 2017 and the Wells Fargo Stable Fund C at December 31, 2018. Both of these investments are wholly invested in Wells Fargo Stable Fund G. These investments are composed primarily of investment contracts and security-backed contracts and are valued at the net asset value of units of the Wells Fargo Stable Return Fund G. The net asset value is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported net asset value. Participant transactions (purchases and sales) may occur daily. There is a twelve month notice period if the Plan initiates a full redemption of the collective investment trust.

(Continued)

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Note 3. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2018 and 2017. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

	Fair Value Measurements at Reporting Date Using:	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
<u>December 31, 2018</u>		
Mutual funds	\$ 18,408,760	\$ 18,408,760
Total assets in fair value hierarchy	18,408,760	18,408,760
Investments measured at NAV (a)	1,340,724	-
Investments at fair value	<u>\$ 19,749,484</u>	<u>\$ 18,408,760</u>
<u>December 31, 2017</u>		
Mutual funds	\$ 20,429,536	\$ 20,429,536
Total assets in fair value hierarchy	20,429,536	20,429,536
Investments measured at NAV (a)	1,840,458	-
Investments at fair value	<u>\$ 22,269,994</u>	<u>\$ 20,429,536</u>

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

Level 1 Fair Value Measurements

The fair values of mutual funds are based on quoted net asset values of the shares held by the Plan at year end.

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Note 3. Fair Value Measurements (Continued)

Investments Measured Using the Net Asset Value per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2018 and 2017. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
December 31, 2018				
Wells Fargo Stable Fund C	\$ 1,340,724	None	Daily	12 months
December 31, 2017				
Transamerica Retirement Solutions Collective Trust Stable Pooled Fund	\$ 1,840,458	None	Daily	12 months

Note 4. Investment Contracts

The Plan had investments in the Transamerica Retirement Solutions Collective Trust Stable Pooled Fund at December 31, 2017 and through February 28, 2018. The fund invests in the Wells Fargo Stable Value Fund W, which invests wholly in the Wells Fargo Stable Return Fund G. As of December 31, 2018 the Plan had investments in Wells Fargo Stable Value Fund C, which invests wholly in the Wells Fargo Stable Return Fund G. The Wells Fargo Stable Return Fund G primarily invests in investment contracts and security-backed contracts issued by insurance companies and other financial institutions. These contracts are considered to be benefit-responsive and are required to be stated at fair value. The average yields for Wells Fargo Stable Return Fund G are as follows:

	<u>2018</u>	<u>2017</u>
Based on annualized earnings	3.07%	2.36%
Based on interest rate credited to participants	2.43%	2.14%

The objective of the Wells Fargo Stable Value Fund C is to provide investors with a moderate level of stable income without principal volatility. However, there is no assurance that this objective will be achieved.

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 5. Related Party Transactions

Officers or employees of the Company perform certain administrative functions. These employees are also Plan participants. No such officer or employee receives compensation from the Plan.

Plan participants directed their investments in funds issued and managed by the Plan Trustees. Investments in funds issued by the Trustee are considered related party transactions. Fees paid to the Plan Trustees by the Plan for investment management and administrative services were \$75,100 for the year ended December 31, 2018.

Note 6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will be 100% vested in their accounts.

Note 7. Tax Status

The Plan was restated effective January 1, 2016 to an approved volume submitter plan sponsored by Transamerica Retirement Solutions Corporation. Transamerica Retirement Solutions Corporation received a letter from the Internal Revenue Service dated March 31, 2014, stating that its volume submitter plan is designed in accordance with applicable sections of the *Internal Revenue Code (IRC)*.

The Plan was restated effective March 1, 2018 to an approved volume submitter plan sponsored by Fidelity Management & Research Company. Fidelity Management & Research Company received a letter from the Internal Revenue Service dated March 31, 2014, stating that its volume submitter plan is designed in accordance with applicable sections of the *Internal Revenue Code (IRC)*. The Plan Administrator believes that the Plan is currently being operated in compliance with the applicable requirements of the *IRC*.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2018 there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Note 8. Trustees' Certification

Certain information was certified as complete and accurate by the Plan's Trustees. That information is as follows:

- Investment assets
- Investment transactions
- Investment income
- Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
- Notes from participants

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	<u>2018</u>	<u>2017</u>
Net assets available for benefits per the financial statements	\$ 20,382,421	\$ 22,733,172
Deemed distributed notes to participants	<u>(21,843)</u>	<u>(7,383)</u>
Net assets available for benefits per the Form 5500	<u>\$ 20,360,578</u>	<u>\$ 22,725,789</u>

The following is a reconciliation of the change in net assets available for benefits per the financial statements to Schedule H of Form 5500.

	<u>2018</u>
Net decrease in net assets available for benefits per financial statements	\$ (2,350,751)
Change in deemed distributed notes to participants	<u>(14,460)</u>
Net decrease per Schedule H of Form 5500	<u>\$ (2,365,211)</u>

SUPPLEMENTAL INFORMATION

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN
(EIN: 27-1527613) (Plan: 001)

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2018

(a)	(b) Identity of Issuer	(c) Description of Investment Including Maturity Date, Rate of Interest, Par, or Maturity Value	(d) Cost	(e) Current Value or Contract Value
	Vanguard	Target Retirement 2055	\$ **	\$ 219,046
	T. Rowe Price	Growth Stock	**	2,799,741
	Vanguard	Selected Value	**	11,150
	Vanguard	Target Retirement 2065	**	7,447
	Goldman Sachs	Bond R6	**	938,881
	Vanguard	Target Retirement 2020	**	733,912
	Vanguard	Target Retirement 2030	**	1,343,537
	Vanguard	Target Retirement 2040	**	561,329
	Vanguard	Target Retirement 2050	**	420,145
	Vanguard	500 Index Adm	**	2,161,588
	Wells Fargo	Stable Fund C	**	1,340,724
	Vanguard	Small Cap Index Adm	**	146,706
	Vanguard	Windsor II Adm	**	1,776,882
	Vanguard	Midcap Index Adm	**	33,743
	Vanguard	Explorer Adm	**	1,232,328
	Vanguard	Developing Market Index Adm	**	495,400
	Alliance Bernstein	Small Cap Value Inst.	**	484,485
	Vanguard	Target Retirement Income	**	128,419
	Vanguard	Target Retirement 2015	**	8,981
	Vanguard	Target Retirement 2025	**	1,728,335
	Vanguard	Target Retirement 2035	**	1,444,041
	Vanguard	Target Retirement 2045	**	294,409
	American Funds	Europacific Growth R6	**	1,272,904
	Alliance Bernstein	Global Bond Z	**	5,539
	J.P. Morgan	Mid Cap Growth R6	**	40,844
	Vanguard	Target Retirement 2060	**	118,968
*	Participant Loans	Various maturities, interest rate range 4.25% - 6.25%	-	611,094
				<u>\$ 20,360,578</u>

* Party-in-interest

** Cost omitted for participant directed investments

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN
(EIN: 27-1527613) (Plan: 001)**

**SCHEDULE H, LINE 4a – SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
Year Ended December 31, 2018**

Participant Contributions Transferred Late to the Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if late participant loan repayments are included: ☐	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 78	\$ -	\$ 78	\$ -	\$ -



ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN
FINANCIAL REPORT
DECEMBER 31, 2018



**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

FINANCIAL REPORT

December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

To the Plan Administrator of
Elgin Fastener Group, LLC
Master Savings and Profit Sharing Plan
Brecksville, Ohio

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Elgin Fastener Group, LLC Master Savings and Profit Sharing Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statement of changes in net assets available for benefits for the year ended December 31, 2018, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by State Street Bank and Trust Company and Fidelity Management Trust Company, the Trustees 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 State Street Bank and Trust Company held the Plan's investment assets and executed investment transactions from January 1, 2017 to March 1, 2018, and that Fidelity Management Trust Company held the Plan's investment assets and executed investment transactions beginning March 1, 2018. The Plan Administrator has obtained a certification from Fidelity Management Trust Company as of December 31, 2018 and for the period then ended, and from State Street Bank and Trust Company as of March 1, 2018 and December 31, 2017, and for the periods then ended, that the information provided to the Plan Administrator by the Trustees is complete and accurate.

Disclaimer of Opinion

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

Other Matter – Supplemental Schedules

The supplemental Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2018 and Schedule H, Line 4a – Schedule of Delinquent Participant Contributions for the year ended December 31, 2018, are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 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 Trustees, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Brown, Edwards & Company, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
July 15, 2019

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments at fair value (Notes 3, 4, and 8)	\$ 19,749,484	\$ 22,269,994
Interest-bearing cash	<u>-</u>	<u>30,809</u>
	19,749,484	22,300,803
Receivables		
Employer contributions	-	66
Participant contributions	-	78
Accrued income	-	604
Notes from participants	<u>632,937</u>	<u>431,621</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 20,382,421</u></u>	<u><u>\$ 22,733,172</u></u>

The Notes to Financial Statements are an integral part of these statements.

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
Year Ended December 31, 2018

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Investment income (loss) (Notes 3, 4, and 8)	
Net depreciation in fair value of investments	\$ (2,167,657)
Interest and dividends	<u>1,061,233</u>
	(1,106,424)
Contributions	
Employer	741,888
Participant	1,583,611
Rollover	315,840
Interest on notes from participants	<u>24,635</u>
Total additions	<u>1,559,550</u>

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid	3,825,157
Administrative expenses (Note 5)	<u>85,144</u>
Total deductions	<u>3,910,301</u>
Net decrease	(2,350,751)

NET ASSETS AVAILABLE FOR BENEFITS

Beginning of year	<u>22,733,172</u>
End of year	<u><u>\$ 20,382,421</u></u>

The Notes to Financial Statements are an integral part of this statement.

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 1. Plan Description

The following description of Elgin Fastener Group, LLC Master Savings and Profit Sharing Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan’s provisions.

General

The Plan is a defined contribution plan covering all employees of Elgin Fastener Group, LLC and affiliates (the “Company”), except non-resident aliens, union employees, and leased employees, as defined. The Plan provides for dual eligibility with respect to participant deferrals and employer matching contributions. Employees are eligible to participate and receive employer matching contributions upon completion of 3 months of service.

Effective March 1, 2018, the Plan document was restated to a non-standardized document sponsored by Fidelity Management Trust Company (Fidelity) with Fidelity Management Trust Company as the named Trustee. A provision for Roth deferrals was added and the definition of eligible compensation was updated. No significant changes were made to Plan operations or eligibility criteria. Plan assets were transferred from State Street Bank & Trust Company to Fidelity Management Trust Company effective March 1, 2018.

Contributions

Each year, participants may contribute up to 90% of their eligible compensation, subject to the maximum allowable under *Internal Revenue Code*. Participants who attain age 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of contributions into various investment options offered by the Plan. Contributions are subject to certain limitations.

The Plan includes an auto-enrollment provision whereby eligible employees are automatically enrolled and deferrals of 3% of eligible compensation commence. These automatic deferrals are set to increase by 1% each year, to a maximum of 6%. Employees may decline participation in the Plan.

The Company makes safe-harbor matching contributions under a Qualified Automatic Contribution Arrangement (QACA) equal to 100% of the first 2% of compensation plus 50% of the next 4% of compensation, up to a maximum of 6%.

Participant accounts

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

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 1. Plan Description (Continued)

Vesting

Participants are immediately vested in their contributions plus earnings thereon. Vesting in the Company's matching and additional discretionary contribution portions of their accounts plus earnings thereon is based on years of continuous service. A participant is 100% vested in Company matching and profit sharing contributions after two years of credited service.

Forfeitures

Forfeited balances of terminated participants' non-vested accounts may be used to reduce employer contributions, restore participant accounts, or offset plan expenses. At December 31, 2018 and 2017, forfeited non-vested accounts of terminated participants totaled \$1,142 and \$22,522, respectively. During the year ended December 31, 2018, forfeited non-vested amounts of \$96,307 and \$1,782 were used to reduce employer contributions and offset plan expenses, respectively. During the year ended December 31, 2017, forfeited non-vested amounts of \$45,055 were used to reduce employer contributions.

Notes from participants

Participants may borrow from their accounts a minimum of \$1,000, up to a maximum equal to the lesser of \$50,000 or 50% of their account balance. Note terms range from one to five years unless the note is for purchase of a primary residence, in which case the term will be 10 years. Notes are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Plan Administrator. The interest rate ranged from 4.25% to 6.25% at December 31, 2018. Principal and interest are paid ratably through payroll deductions.

Payment of benefits

On termination of service due to death, disability, retirement, or other reasons, a participant may elect to receive a lump-sum distribution, installment payments, or partial payments equal to the value of the participant's vested interest in his or her account.

Administrative costs

Plan administrative expenses may be paid by the Company or the Plan on a discretionary basis.

Note 2. Significant Accounting Policies

Basis of accounting

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

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 2. Significant Accounting Policies (Continued)

Basis of accounting (Continued)

Investment contracts held by a defined contribution plan are required to be reported at fair value, except for fully benefit-responsive investment contracts. Contract value is the relevant measurement attribute for fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan.

Estimates

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

Interest-bearing cash

For purposes of preparing the statements of net assets available for benefits, the State Street Bank and Trust Cash Reserve Account is considered interest-bearing cash. This account is insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution.

Valuation of investments and income recognition

Investments are reported 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. See Note 3 for discussion of fair value measurements.

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

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

Notes from participants

Notes from participants are reported at their unpaid principal balances plus any accrued but unpaid interest.

Payment of benefits

Benefit payments are recorded when paid.

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 2. Significant Accounting Policies (Continued)

Subsequent events

Subsequent events have been evaluated through July 15, 2019, the date the financial statements were available to be issued.

Note 3. Fair Value Measurements

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with those of other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs are unobservable and have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available.

The Plan was invested in the Transamerica Retirement Solutions Collective Trust Stable Pooled Fund at December 31, 2017 and the Wells Fargo Stable Fund C at December 31, 2018. Both of these investments are wholly invested in Wells Fargo Stable Fund G. These investments are composed primarily of investment contracts and security-backed contracts and are valued at the net asset value of units of the Wells Fargo Stable Return Fund G. The net asset value is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported net asset value. Participant transactions (purchases and sales) may occur daily. There is a twelve month notice period if the Plan initiates a full redemption of the collective investment trust.

(Continued)

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Note 3. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2018 and 2017. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

	Fair Value Measurements at Reporting Date Using:	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)
<u>December 31, 2018</u>		
Mutual funds	\$ 18,408,760	\$ 18,408,760
Total assets in fair value hierarchy	18,408,760	18,408,760
Investments measured at NAV (a)	1,340,724	-
Investments at fair value	<u>\$ 19,749,484</u>	<u>\$ 18,408,760</u>
<u>December 31, 2017</u>		
Mutual funds	\$ 20,429,536	\$ 20,429,536
Total assets in fair value hierarchy	20,429,536	20,429,536
Investments measured at NAV (a)	1,840,458	-
Investments at fair value	<u>\$ 22,269,994</u>	<u>\$ 20,429,536</u>

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

Level 1 Fair Value Measurements

The fair values of mutual funds are based on quoted net asset values of the shares held by the Plan at year end.

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Note 3. Fair Value Measurements (Continued)

Investments Measured Using the Net Asset Value per Share Practical Expedient

The following table summarizes investments for which fair value is measured using the net asset value per share practical expedient as of December 31, 2018 and 2017. There are no participant redemption restrictions for these investments; the redemption notice period is applicable only to the Plan.

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
December 31, 2018				
Wells Fargo Stable Fund C	\$ 1,340,724	None	Daily	12 months
December 31, 2017				
Transamerica Retirement Solutions Collective Trust Stable Pooled Fund	\$ 1,840,458	None	Daily	12 months

Note 4. Investment Contracts

The Plan had investments in the Transamerica Retirement Solutions Collective Trust Stable Pooled Fund at December 31, 2017 and through February 28, 2018. The fund invests in the Wells Fargo Stable Value Fund W, which invests wholly in the Wells Fargo Stable Return Fund G. As of December 31, 2018 the Plan had investments in Wells Fargo Stable Value Fund C, which invests wholly in the Wells Fargo Stable Return Fund G. The Wells Fargo Stable Return Fund G primarily invests in investment contracts and security-backed contracts issued by insurance companies and other financial institutions. These contracts are considered to be benefit-responsive and are required to be stated at fair value. The average yields for Wells Fargo Stable Return Fund G are as follows:

	<u>2018</u>	<u>2017</u>
Based on annualized earnings	3.07%	2.36%
Based on interest rate credited to participants	2.43%	2.14%

The objective of the Wells Fargo Stable Value Fund C is to provide investors with a moderate level of stable income without principal volatility. However, there is no assurance that this objective will be achieved.

(Continued)

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN**

**NOTES TO FINANCIAL STATEMENTS
December 31, 2018**

Note 5. Related Party Transactions

Officers or employees of the Company perform certain administrative functions. These employees are also Plan participants. No such officer or employee receives compensation from the Plan.

Plan participants directed their investments in funds issued and managed by the Plan Trustees. Investments in funds issued by the Trustee are considered related party transactions. Fees paid to the Plan Trustees by the Plan for investment management and administrative services were \$75,100 for the year ended December 31, 2018.

Note 6. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will be 100% vested in their accounts.

Note 7. Tax Status

The Plan was restated effective January 1, 2016 to an approved volume submitter plan sponsored by Transamerica Retirement Solutions Corporation. Transamerica Retirement Solutions Corporation received a letter from the Internal Revenue Service dated March 31, 2014, stating that its volume submitter plan is designed in accordance with applicable sections of the *Internal Revenue Code (IRC)*.

The Plan was restated effective March 1, 2018 to an approved volume submitter plan sponsored by Fidelity Management & Research Company. Fidelity Management & Research Company received a letter from the Internal Revenue Service dated March 31, 2014, stating that its volume submitter plan is designed in accordance with applicable sections of the *Internal Revenue Code (IRC)*. The Plan Administrator believes that the Plan is currently being operated in compliance with the applicable requirements of the *IRC*.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the plan and recognize a tax liability (or asset) if the plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2018 there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

Note 8. Trustees' Certification

Certain information was certified as complete and accurate by the Plan's Trustees. That information is as follows:

- Investment assets
- Investment transactions
- Investment income
- Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
- Notes from participants

Note 9. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	<u>2018</u>	<u>2017</u>
Net assets available for benefits per the financial statements	\$ 20,382,421	\$ 22,733,172
Deemed distributed notes to participants	<u>(21,843)</u>	<u>(7,383)</u>
Net assets available for benefits per the Form 5500	<u>\$ 20,360,578</u>	<u>\$ 22,725,789</u>

The following is a reconciliation of the change in net assets available for benefits per the financial statements to Schedule H of Form 5500.

	<u>2018</u>
Net decrease in net assets available for benefits per financial statements	\$ (2,350,751)
Change in deemed distributed notes to participants	<u>(14,460)</u>
Net decrease per Schedule H of Form 5500	<u>\$ (2,365,211)</u>

SUPPLEMENTAL INFORMATION

ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN
(EIN: 27-1527613) (Plan: 001)

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
December 31, 2018

(a)	(b) Identity of Issuer	(c) Description of Investment Including Maturity Date, Rate of Interest, Par, or Maturity Value	(d) Cost	(e) Current Value or Contract Value
	Vanguard	Target Retirement 2055	\$ **	\$ 219,046
	T. Rowe Price	Growth Stock	**	2,799,741
	Vanguard	Selected Value	**	11,150
	Vanguard	Target Retirement 2065	**	7,447
	Goldman Sachs	Bond R6	**	938,881
	Vanguard	Target Retirement 2020	**	733,912
	Vanguard	Target Retirement 2030	**	1,343,537
	Vanguard	Target Retirement 2040	**	561,329
	Vanguard	Target Retirement 2050	**	420,145
	Vanguard	500 Index Adm	**	2,161,588
	Wells Fargo	Stable Fund C	**	1,340,724
	Vanguard	Small Cap Index Adm	**	146,706
	Vanguard	Windsor II Adm	**	1,776,882
	Vanguard	Midcap Index Adm	**	33,743
	Vanguard	Explorer Adm	**	1,232,328
	Vanguard	Developing Market Index Adm	**	495,400
	Alliance Bernstein	Small Cap Value Inst.	**	484,485
	Vanguard	Target Retirement Income	**	128,419
	Vanguard	Target Retirement 2015	**	8,981
	Vanguard	Target Retirement 2025	**	1,728,335
	Vanguard	Target Retirement 2035	**	1,444,041
	Vanguard	Target Retirement 2045	**	294,409
	American Funds	Europacific Growth R6	**	1,272,904
	Alliance Bernstein	Global Bond Z	**	5,539
	J.P. Morgan	Mid Cap Growth R6	**	40,844
	Vanguard	Target Retirement 2060	**	118,968
*	Participant Loans	Various maturities, interest rate range 4.25% - 6.25%	-	611,094
				<u>\$ 20,360,578</u>

* Party-in-interest

** Cost omitted for participant directed investments

**ELGIN FASTENER GROUP, LLC
MASTER SAVINGS AND PROFIT SHARING PLAN
(EIN: 27-1527613) (Plan: 001)**

**SCHEDULE H, LINE 4a – SCHEDULE OF DELINQUENT PARTICIPANT CONTRIBUTIONS
Year Ended December 31, 2018**

Participant Contributions Transferred Late to the Plan	Total that Constitute Nonexempt Prohibited Transactions			Total Fully Corrected Under VFCP and PTE 2002-51
Check here if late participant loan repayments are included: ☐	Contributions Not Corrected	Contributions Corrected Outside VFCP	Contributions Pending Correction in VFCP	
\$ 78	\$ -	\$ 78	\$ -	\$ -