

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
---	---	---

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>ITT CONSOLIDATED HOURLY PENSION PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>047</u>
		1c	Effective date of plan <u>01/01/1970</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>ITT INDUSTRIES HOLDINGS INC.</u> <u>1133 WESTCHESTER AVENUE</u> <u>WHITE PLAINS, NY 10604</u>	2b	Employer Identification Number (EIN) <u>34-1990908</u>
		2c	Plan Sponsor's telephone number <u>914-641-2000</u>
		2d	Business code (see instructions) <u>333200</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/02/2019	DEBORAH MACCHIA
	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 4996
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) 653 6a(2) 585 6b 2956 6c 867 6d 4408 6e 485 6f 4893 6g 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1B 3H 1I b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

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 SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2018</div> <div>This Form is Open to Public Inspection</div>
--	---	--

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

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

A Name of plan ITT CONSOLIDATED HOURLY PENSION PLAN	B Three-digit plan number (PN) ▶ 047
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ITT INDUSTRIES HOLDINGS INC.	D Employer Identification Number (EIN) 34-1990908

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

Part I	Basic Information
---------------	--------------------------

1 Enter the valuation date: Month 01 Day 01 Year 2018			
2 Assets:			
a Market value.....	2a	170705053	
b Actuarial value	2b	160505599	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	3415	98579991	98579991
b For terminated vested participants	928	23089528	23089528
c For active participants	653	18099032	18454654
d Total	4996	139768551	140124173
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	5.59 %	
6 Target normal cost	6	1262036	

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

SIGN HERE		
EDWARD QUINN	Signature of actuary	09/18/2019
BUCK GLOBAL, LLC	Type or print name of actuary	Date
500 PLAZA DRIVE SECAUCUS, NJ 07096-1533	Firm name	17-05121
	Address of the firm	Most recent enrollment number
		201-902-2300
		Telephone number (including area code)

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

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	17188598
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	3146077
9 Amount remaining (line 7 minus line 8)	0	14042521
10 Interest on line 9 using prior year's actual return of <u>16.23</u> %	0	2279101
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		13405805
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.77</u> %		591986
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		510608
c Total available at beginning of current plan year to add to prefunding balance		14508399
d Portion of (c) to be added to prefunding balance		14508399
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	30830021

Part III Funding Percentages

14 Funding target attainment percentage	14	92.54%
15 Adjusted funding target attainment percentage	15	114.54%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	95.89%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/13/2019	9000000	0			
Totals ▶			18(b)	9000000	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	8205709

20 Quarterly contributions and liquidity shortfalls:

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

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

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

21	Discount rate:			
a	Segment rates:	1st segment: 3.92%	2nd segment: 5.52%	3rd segment: 6.29%
		☐ N/A, full yield curve used		
b	Applicable month (enter code)	21b	4	
22	Weighted average retirement age	22	64	
23	Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☐ Prescribed - separate
		Current regulation:	☐ Prescribed - combined	☒ Prescribed - separate
			☐ Substitute	☐ Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31	Target normal cost and excess assets (see instructions):		
a	Target normal cost (line 6)	31a	1262036
b	Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment	10448595	1584636
b	Waiver amortization installment		
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	2846672
		Carryover balance	Prefunding balance
35	Balances elected for use to offset funding requirement	0	2846672
36	Additional cash requirement (line 34 minus line 35)	36	0
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	8205709
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)	38a	8205709
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	2846672
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40	Unpaid minimum required contributions for all years	40	0

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

41	If an election was made to use PRA 2010 funding relief for this plan:	
a	Schedule elected	☐ 2 plus 7 years ☐ 15 years
b	Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

<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 ITT CONSOLIDATED HOURLY PENSION PLAN	B Three-digit plan number (PN) ▶	047
C Plan sponsor's name as shown on line 2a of Form 5500 ITT INDUSTRIES HOLDINGS INC.	D Employer Identification Number (EIN) 34-1990908	

Part I	Service Provider Information (see instructions)
--------	---

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

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

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

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

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

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

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

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

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

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

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

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

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 ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(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:	ROBERT GENTRY	b EIN:	42-0175020
c Position:	ENROLLED ACTUARY		
d Address:	221 RIVER STREET 9TH FLOOR, SUITE 9066 HOBOKEN, NJ 07030	e Telephone:	443-613-3734

Explanation: TERMINATION AS ENROLLED ACTUARY WAS DUE TO TERMINATION OF EMPLOYMENT FROM BUCK GLOBAL, LLC.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		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 ITT CONSOLIDATED HOURLY PENSION PLAN		B Three-digit plan number (PN) ►	047
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ITT INDUSTRIES HOLDINGS INC.		D Employer Identification Number (EIN) 34-1990908	

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

a Name of MTIA, CCT, PSA, or 103-12 IE: INVESTMENT MASTER TRUST OF ITT		
b Name of sponsor of entity listed in (a): ITT INDUSTRIES HOLDINGS INC		
c EIN-PN 34-1990908-302	d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 149287280
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

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

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

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

SCHEDULE H (Form 5500) <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.	<small>OMB No. 1210-0110</small> 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 ITT CONSOLIDATED HOURLY PENSION PLAN	B Three-digit plan number (PN) ►	047
C Plan sponsor's name as shown on line 2a of Form 5500 ITT INDUSTRIES HOLDINGS INC.	D Employer Identification Number (EIN) 34-1990908	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	170705053	149287280
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	170705053 149287280
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	211288 151191
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	211288 151191
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	170493765 149136089

Part II Income and Expense Statement

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

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

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-11095990
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-11095990

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	10261686	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		10261686
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total	2j		10261686

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-21357676
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: CROWE LLP

(2) EIN: 35-0921680

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		15000000
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			

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 4176963. (See instructions.)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 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 <u>ITT CONSOLIDATED HOURLY PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>047</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ITT INDUSTRIES HOLDINGS INC.</u>	D Employer Identification Number (EIN) <u>34-1990908</u>

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>36-1561860</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>12</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 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: 30.0% Investment-Grade Debt: 70.0% High-Yield Debt: 0.0% Real Estate: 0.0% Other: 0.0%

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

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

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

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

ITT Consolidated Hourly Pension Plan

Sponsor EIN 13-5158950
Plan No. 047

Financial Statements as of and for the Years Ended December 31, 2018 and 2017,
and Independent Auditor's Report

TABLE OF CONTENTS

	PAGE
Statements of Net Assets Available for Benefits as of December 31, 2018 and 2017	1
Statements of Changes in Net Assets Available for Benefits for the Years Ended December 31, 2018 and 2017	1
Notes to Financial Statements:	
Note 1 - Description of the Plan	2
Note 2 - Summary of Significant Accounting Policies	3
Note 3 - Actuarial Present Value of Accumulated Plan Benefits	3
Note 4 - Investments	4
Note 5 - Party-In-Interest Transactions	5
Note 6 - Tax Status	5
Note 7 - Subsequent Events	5
Independent Auditor's Report	6

All supplemental schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

ITT CONSOLIDATED HOURLY PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,	2018	2017
Investments at fair value - Plan's interest in the ITT Master Trust	\$ 149,287,280	\$ 170,705,053
Less accrued administrative expenses	151,191	211,288
Net assets available for benefits	\$ 149,136,089	\$ 170,493,765

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the Years Ended December 31,	2018	2017
Investment Activity:		
Plan's interest in the ITT Master Trust investment (loss)/income	\$ (9,844,916)	\$ 22,841,660
Additions to net assets attributable to:		
Employer Contributions	—	14,184,455
Deductions from net assets attributable to:		
Benefits paid to participants	10,261,686	10,632,864
Administrative expenses	1,251,074	1,699,461
Total deductions from net assets	11,512,760	12,332,325
Total net change in net assets available for benefits	(21,357,676)	24,693,790
Net assets available for benefits - beginning of year	170,493,765	145,799,975
Net assets available for benefits - end of year	\$ 149,136,089	\$ 170,493,765

See notes to financial statements.

ITT CONSOLIDATED HOURLY PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE 1

DESCRIPTION OF THE PLAN

The following description of the ITT Consolidated Hourly Pension Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General

The Plan is a defined benefit pension plan sponsored by ITT Industries Holdings Inc (the "Plan Sponsor"). The Plan was originally established to provide for the payment of benefits to eligible participants. The Plan consists of multiple legacy plans. The Plan is closed to new participants and benefits have stopped accruing. The Benefits Administration Committee, as appointed by the Board of Directors of ITT, controls and manages the operation and administration of the Plan. The Northern Trust Company (the "Trustee") serves as the trustee of the Plan, and together with the investment managers, manages the Plan's investments held in the Investment Master Trust of ITT (the "ITT Master Trust"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Pension Benefits

Participants are eligible for monthly benefit payments upon attainment of early retirement criteria (dependent on provisions of each legacy plan but generally no earlier than age 55) or upon attainment of normal retirement age (generally age 62 or age 65 depending on the legacy plan). Early retirement benefits are computed in a manner similar to normal retirement benefits except that they are reduced by certain factors, as outlined in the Plan document, for each month that the early retirement date precedes the normal retirement date. The amount of the accrued benefit is determined by multiplying the benefit rate, which depends upon the period of credited service, by the total number of years of credited service. Certain groups have limited the amount of credited service to be included in the benefit accrual. All terminated participants are 100% vested.

Death and Disability Benefits

A married employee who is a vested participant is automatically covered by the pre-retirement death benefit option, which will provide a benefit for the surviving spouse upon death prior to retirement, unless coverage is waived. The benefit would be equal to the benefit the spouse would have received had the employee retired on the date of death, computed under the normal form of payment and subject to certain limitations as outlined in the Plan document.

No employee has been eligible to qualify for a disability benefit under this Plan since January 1, 2000.

Administrative Expenses

Administrative expenses of the Plan are paid by the ITT Master Trust on behalf of the Plan, as provided in the Plan document and the ITT Master Trust agreement. The Plan Sponsor currently provides accounting and certain other administrative services to the Plan and ITT Master Trust at no charge. Plan administration is provided by WillisTowersWatson and those costs are paid by the Plan.

Management fees and operating expenses charged to the Plan for the investments in the collective trust (CT) funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Funding Policy

Contributions to provide benefits under the Plan are made solely by the Plan Sponsor and participant contributions are not permitted by the Plan. Funding requirements under Internal Revenue Service (IRS) rules are a major consideration in making contributions to the Plan Sponsor's postretirement plans. With respect to this Plan, the Plan Sponsor intends to contribute annually not less than the minimum required by applicable law and regulations. While the Plan Sponsor has significant discretion in making voluntary contributions, ERISA, as amended by the Pension Protection Act of 2006 and further amended by the Worker, Retiree, and Employer Recovery Act of 2008, and applicable Internal Revenue Code (IRC) regulations, mandate minimum funding thresholds. Failure to satisfy the minimum funding thresholds could result in restrictions on the Plan Sponsor's ability to amend the Plan or make benefit payments. No mandatory contributions to the Plan were required during 2018 and 2017 but a discretionary contribution was made in 2017 totaling \$14,184,455. The Plan Sponsor will continue to monitor the funded status and minimum funding requirements.

Plan Termination

The Plan Sponsor has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the existing assets and the PBGC guaranty while other benefits may not be provided for at all.

NOTE 2

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein; and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. It is at least reasonably possible that a significant change may occur in the near term for the estimates of the actuarial present value of accumulated plan benefits. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan participates in the ITT Master Trust which invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, liquidity risk and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that values realized at the time of sale could materially differ from amounts reported in the financial statements.

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

Investment Valuation and Income Recognition

The Plan's interest in the ITT Master Trust is presented at fair value, which has been determined based on the fair value of the underlying investments of the ITT Master Trust. 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 4 for a description of valuation methods. 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 and depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

NOTE 3

ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions, for service rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to: (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of employees who have died, and (3) present employees or their beneficiaries. The actuarial present

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

The actuarial present value of accumulated plan benefits were calculated as of December 31, 2017, the latest valuation date. This disclosure below is based solely on the funding valuation. The actuarial present value of accumulated plan benefits as of December 31, 2017, is as follows:

	2017
Vested benefits:	
Participant and/or beneficiaries currently receiving benefits	\$ 90,975,841
Terminated vested participants	21,792,979
Active participants	17,164,035
Total vested benefits	129,932,855
Nonvested benefits	287,601
Total actuarial present value of accumulated plan benefits	\$130,220,456

The changes in the actuarial present value of the Plan's accumulated plan benefits for the year ended December 31, 2017, are as follows:

Actuarial present value of accumulated plan benefits - December 31, 2016	\$124,115,644
Increase (decrease) during the year attributable to:	
Benefits accumulated and other Plan experience	(1,716,407)
Benefits paid	(10,632,864)
Interest	8,322,204
Assumption changes	10,131,879
Actuarial present value of accumulated plan benefits - December 31, 2017	\$130,220,456

The actuarial cost method used to measure the present value of accumulated plan benefits is the Unit Credit Method. The significant actuarial assumptions used in the December 31, 2017 valuations were:

- Mortality: Non-Wolverine and Wolverine Hourly, Wolverine Salaried and Disabled participants use RP-2014 Blue Collar Employee and Healthy Annuitant, RP-2014 White Collar Employee and Healthy Annuitant and RP-2014 Disabled Retiree Mortality Tables, respectively, rolled back to 2006 and projected with the Buck Modified 2018 improvement scale. The Buck Modified improvement scale is a modified version of the MP-2018 improvement scale using a grading of 15 years to a long-term improvement rate of 0.75%.
- Retirement age: Age range from 55 - 70
- Investment return: 6.0%

The assumption change is attributable to the change in discount rate and the change from the Buck Modified 2017 improvement scale to the Buck Modified 2018 improvement scale. These actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that certain changes in these estimates and assumptions could be material to the financial statements. The actuarial valuation report as of December 31, 2018 has not yet been completed.

NOTE 4 INVESTMENTS

Unaudited Information - Certified Investments

Substantially all information pertaining to the Plan's investments included in the financial statements, including the associated investment (loss) income, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Trustee of the Plan. This 2018 and 2017 information has not been audited by independent accountants.

Interest in Master Trust

The Plan's investments are held in the ITT Master Trust, EIN 38-7003271. The ITT Master Trust is comprised entirely of holdings in CTs and the combined assets of this Plan and another employee benefit plan sponsored by the Plan Sponsor and its subsidiaries (collectively, the "Participating Plans"). The fair value of CTs is estimated based on NAV, as provided by the investment manager to the Trustee, as a proxy for fair value. The Plan's assets include an undivided interest in an investment account of the ITT Master Trust as of and for the years ended December 31, 2018 and 2017. Use of a master trust permits the commingling of Plan assets with the assets of other Participating Plans for investment and administrative purposes. Although Plan assets are commingled in the ITT Master Trust, the Trustee maintains records supporting the allocation of the net income of the ITT Master Trust to the Participating Plans. Net investment income is allocated by the Trustee to each Participating Plan based on the relationship of the interest of each Participating Plan to the total of the interests of all the Participating Plans.

The table below provides the Plan's interest in the ITT Master Trust net assets as of December 31, 2018 and 2017.

	2018	2017
Net assets of the ITT Master Trust at fair value	\$ 277,837,505	\$ 320,915,323
Plan's interest in net assets of the ITT Master Trust	\$ 149,287,280	\$ 170,705,053
Plan's interest in the ITT Master Trust as a percentage of the total	53.7%	53.2%

Domestic and fixed income - bond CTs have a redemption notice period equal to the trade date, while developed market and emerging market CTs have a redemption notice period equal to trade date plus one day, during 2018 and 2017. There are no unfunded commitments and investments can be redeemed on a daily basis.

NOTE 5

PARTY-IN-INTEREST TRANSACTIONS

A party-in-interest is someone who has a relationship prohibiting that person from engaging in certain transactions with the Plan. This usually includes trustees and actuaries.

Certain ITT Master Trust investments are shares of CTs managed by the Trustee; therefore these qualify as party-in-interest transactions. Fees paid to the Trustee for investment management fees were included as a reduction of the return earned on the investment. Other fees paid to the Trustee also qualify as party-in-interest transactions.

Certain administrative functions are performed by officers and employees of ITT Inc. (who may also be a participant in the Plan) at no cost to the Plan or ITT Master Trust.

NOTE 6

TAX STATUS

The IRS has determined and informed the Plan Sponsor by a letter dated November 8, 2017, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC. The Plan Sponsor and Plan management believe that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC and the Plan and related trust continue to be tax-exempt.

The Company evaluates tax positions taken by the Plan and recognizes a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2018 and 2017, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is no longer subject to tax examinations for years prior to 2015.

NOTE 7

SUBSEQUENT EVENTS

Plan management has evaluated events occurring after December 31, 2018 through the audit report date, and has concluded that there are no events that require recognition or disclosure in the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Trustees and Participants of the
ITT Consolidated Hourly Pension Plan
White Plains, New York

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the ITT Consolidated Hourly Pension Plan, which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the 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 4, which was certified by The Northern Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certification from the trustee as of December 31, 2018 and 2017 and for the years then ended that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

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

The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, has 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.

A handwritten signature in black ink that reads "Crowe LLP". The "C" is large and stylized, with a loop at the top. The "rowe" is written in a cursive-like script, and "LLP" is in a simpler, blocky font.

Crowe LLP

New York, New York
September 9, 2019

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Line 26 – Schedule of Active Participant Data

Attained Age	Years of Credited Service									
	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 & up
Under 25	-	1	-	-	-	-	-	-	-	-
25 - 29	1	17	2	-	-	-	-	-	-	-
30 - 34	-	30	8	-	-	-	-	-	-	-
35 - 39	-	18	12	4	-	-	-	-	-	-
40 - 44	-	20	16	7	7	-	-	-	-	-
45 - 49	-	36	10	10	15	7	3	-	-	-
50 - 54	-	40	13	14	13	11	11	4	-	-
55 - 59	-	44	14	15	10	14	18	17	3	-
60 - 64	-	28	14	16	15	5	14	20	17	-
65 - 69	-	11	3	7	5	6	5	7	3	1
70 & up	-	4	1	1	1	1	1	-	2	-

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Prescribed Funding Assumptions and Methods

The following assumptions and methods are prescribed by ERISA.

Funding interest rates

For 2018 Plan Year: Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

	Unconstrained Rates*	Rates Reflecting Corridor**
First Segment Rate	1.75%	3.92%
Second Segment Rate	3.76%	5.52%
Third Segment Rate	4.66%	6.29%
Effective Rate	3.90%	5.59%

For 2017 Plan Year: Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

	Unconstrained Rates*	Rates Reflecting Corridor**
First Segment Rate	1.52%	4.16%
Second Segment Rate	3.80%	5.72%
Third Segment Rate	4.79%	6.48%
Effective Rate	3.94%	5.77%

* Used for maximum tax-deduction purposes.

** Used for minimum funding and benefit restriction purposes.

Mortality

Regulations issued in October 2017 revised the underlying mortality tables and mortality improvement scales applicable for funding purposes from the RP-2000 tables with Mortality Improvement Scale AA to the RP-2014 tables with Mortality Improvement Scale MP-2016. The new tables are effective for 2018 and later plan years and can be applied on a fully generational or static basis; however, the plan sponsor may opt to delay the use of the new tables for funding purposes until the 2019 plan year. For this plan, the option was not applied.

Mortality tables mandated by PPA as specified in IRS Regulation 1.430(h)(3)-1, as revised in October 2017, applied on a static basis.

Actuarial cost method

The Funding Target is the present value of accrued benefits based on compensation and service to date.

The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected plan related expenses to be paid from plan assets during the year.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (continued)

Non-Prescribed Funding Assumptions and Methods

The following assumptions were selected by the plan's enrolled actuary. The retirement rates, withdrawal rates and frequency of optional payment form assumptions were based on an experience study performed in 2015 for Non-Wolverine. For Wolverine, these assumptions were based on the plan sponsor's anticipated experience, as well as general expectations for plan sponsors of similar size and plan design. The asset valuation method was selected by the plan sponsor with the actuary's advice and is an acceptable method under PPA.

Cash Balance interest crediting rate

The Cash Balance Interest Crediting Rate assumption is based on anticipated yields for 10-year Treasury Bonds.

Current and Future Years:	3.00%
Prior Year:	3.00%

Expenses

Expected plan related expenses, equal to the prior year's plan related expenses, excluding the prior year PBGC premiums and including 2% inflation plus current year PBGC premium, were added to the Target Normal Cost. This amount is equal to \$1,262,036.

Frequency of optional payment forms

Non-Wolverine

It is assumed that future retirees and terminations will elect the following forms of payment:

Payment Form	Rates
Life Annuity	70%
50% Joint & Survivor Annuity	15%
75% Joint & Survivor Annuity	10%
100% Joint & Survivor Annuity	5%

Wolverine Salaried and Wolverine Hourly

Cash balance benefits are assumed payable as a lump sum upon retirement or death and payable at age 60 upon termination. 60% of future retirements and terminations are assumed to elect a single Life Annuity and 40% are assumed to elect a Joint and Survivor 50% annuity.

Marital percentage

85% of participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (continued)

Non-Prescribed Funding Assumptions and Methods (continued)

Retirement rates

Age	Non-Wolverine	Wolverine Salaried	Wolverine Hourly
55	7.50%	3%	N/A
56	7.50%	3%	N/A
57	7.50%	3%	N/A
58	7.50%	3%	N/A
59	7.50%	3%	N/A
60	7.50%	5%	5%
61	7.50%	10%	10%
62	7.50%	15%	15%
63	7.50%	20%	20%
64	7.50%	25%	25%
65	30.00%	100%	100%
66	30.00%	100%	100%
67	30.00%	100%	100%
68	30.00%	100%	100%
69	30.00%	100%	100%
70	100.00%	100%	100%

Non-Wolverine terminated vested participants are assumed to retire at age 60.

Disability rates

Age	Rates
25	0.03%
30	0.03%
35	0.03%
40	0.04%
45	0.08%
50	0.21%
55	0.45%
60	1.01%
65	0.00%

No rates for Wolverine Salaried.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (continued)

Non-Prescribed Funding Assumptions and Methods (continued)

Withdrawal rates for active participants not eligible for retirement

Age	Non-Wolverine Rates	Wolverine Hourly and Salaried	
		Males	Females
25	10.36%	7.40%	11.60%
30	8.30%	4.30%	6.70%
35	6.77%	3.10%	5.10%
40	5.76%	2.00%	3.90%
45	5.00%	1.30%	2.80%
50	4.35%	0.70%	1.40%
55	4.03%	0.00%	0.00%
60	4.30%	0.00%	0.00%
65	0.00%	0.00%	0.00%

The rates shown for Non-Wolverine plans are the ultimate withdrawal rates for participants with 3 or more years of service. For ages 45 or less, the rates for the first, second, and third year of employment are the above multiplied by 1.838 plus 0.0343, 1.393 plus 0.0056 and 1.240 minus 0.0046, respectively.

Asset valuation method

The Actuarial Value of Assets is Market Value as of the valuation date, including discounted receivable contributions, reduced by 2/3 and 1/3 of the gain/(loss) in the prior 2 years, respectively. The gain/(loss) for each period is determined as the actual return on Market Value during the period less the expected return on Market Value based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of Market Value, including discounted receivable contributions. The asset gain/(loss) history of the pre-merged plans was consolidated into the post-merged ITT Consolidated Hourly Pension Plan. The valuation dates for the Wolverine Hourly Pension Plan and Wolverine Salaried Pension Plan began on December 1st. As such, the gains/(losses) of the post-merged ITT Consolidated Hourly Pension with a valuation date beginning January 1st were reflected for the applicable portion of the year.

	Actuary's Assumption	Third Segment Rate	Reflecting PPA Limit
2018 Expected Return	6.00%	6.29%	6.00%
2017 Expected Return	7.00%	6.48%	6.48%
2016 Expected Return	7.20%	6.65%	6.65%

The expected rate of return is based on the plan's asset allocation and forward-looking expected rates of return by asset category provided by ITT Industries Holdings Inc. in coordination with their investment advisor.

Future actuarial measurements

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, changes expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions, applicable law or regulations. An analysis of the potential range of such future differences is beyond the scope of this report.

ITT Consolidated Hourly Pension Plan
EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (continued)

Non-Prescribed Funding Assumptions and Methods (continued)

Summary of Changes from the January 1, 2017 Valuation

- The interest rate basis was updated to the current rates as specified in IRS Regulation 1.430(h)(2)-1. These rates are constrained in accordance with HATFA.
- The mortality assumption was updated according to the projection specified in IRS Regulation 1.430(h)(3)-1, as revised in October 2017, applied on a static basis.
- These assumption changes listed above increased the Funding Target by approximately \$9.4 million.
- The expected return on assets was changed from 7.00% to 6.00% to better reflect the plan's target asset allocation.
- The expected plan-related expenses added to the Target Normal Cost were changed from \$2,216,459 to \$1,262,036 to reflect the anticipated change in expenses.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 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

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

A Name of plan ITT CONSOLIDATED HOURLY PENSION PLAN	B Three-digit plan number (PN) ▶ <u>047</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ITT Industries Holdings Inc.	D Employer Identification Number (EIN) 34-1990908

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

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>			
2 Assets: a Market value..... b Actuarial value	2a		170,705,053
	2b		160,505,599
3 Funding target/participant count breakdown a For retired participants and beneficiaries receiving payment b For terminated vested participants c For active participants d Total	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
	3,415	98,579,991	98,579,991
	928	23,089,528	23,089,528
	653	18,099,032	18,454,654
	4,996	139,768,551	140,124,173
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	5.59%	
6 Target normal cost	6	1,262,036	

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

SIGN HERE	 Signature of actuary	<u>9/18/2019</u> Date
	Edward Quinn	1705121
	Type or print name of actuary	Most recent enrollment number
	Buck Global, LLC	201-902-2300
	Firm name	Telephone number (including area code)
	500 PLAZA DRIVE	
	SECAUCUS NJ 07096-1533	
	Address of the firm	

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF. **Schedule SB (Form 5500) 2018 v. 171027**

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	17,188,598
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	3,146,077
9 Amount remaining (line 7 minus line 8).....	0	14,042,521
10 Interest on line 9 using prior year's actual return of <u>16.23%</u>	0	2,279,101
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		13,405,805
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.77%</u>		591,986
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		510,608
c Total available at beginning of current plan year to add to prefunding balance		14,508,399
d Portion of (c) to be added to prefunding balance.....		14,508,399
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	30,830,021

Part III Funding Percentages

14 Funding target attainment percentage	14	92.54%
15 Adjusted funding target attainment percentage.....	15	114.54%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	95.89%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/13/2019	9,000,000	0			
Totals ▶			18(b)	9,000,000	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	8,205,709

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

Liquidity shortfall as of end of quarter of this plan year				
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th	
0	0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 3.92 %	2nd segment: 5.52 %	3rd segment: 6.29 %	☐ N/A, full yield curve used
b Applicable month (enter code)	21b			4
22 Weighted average retirement age	22			64
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute
	Current regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	1,262,036	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	10,448,595		1,584,636
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	2,846,672	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	2,846,672	2,846,672
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	8,205,709	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	8,205,709	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	2,846,672	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part II (b) Prefunding Balance – Explanation of Discrepancy in Prior Year Prefunding Balance

The amount of Prefunding balance that was elected to be used in 2018 plan year was different from what was shown on 2017 Schedule SB, and therefore caused some changes in the numbers anticipated for Part II (b) Prefunding balance of 2018 Schedule SB. The table below shows the difference between the anticipated Part II (b) Prefunding balance and the actual Part II (b) Prefunding balance.

Line		Expected Prefunding balance	Actual Prefunding balance
7	Prior Year Beginning Balance	17,188,598	17,188,598
8	Portion Elected for Offset	3,159,179	3,146,077
9	Line 7 minus line 8	14,029,419	14,042,521
10	Interest on line 9 using prior year's actual rate of return 16.23%:	2,276,975	2,279,101
11a	Present Value of Excess Contributions	13,418,907	13,405,805
11b	(1) Interest on excess using prior year effective rate of 5.77%:	591,986	591,986
	(2) Interest on excess using prior year actual return	512,734	510,608
11c	Total Available to add to PFB	14,523,627	14,508,399
11d	Portion of 11c to be added to PFB	14,523,627	14,508,399
12	Other Reductions	0	0
13	Balance at Beginning of Current Year	30,830,021	30,830,021

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Line 22 – Description of Weighted Average Retirement Age

This table calculates the weighted average retirement age for all active persons in the plan.

(1) Age	(2) Expected Active Headcount	(3) Retirement Rate	(4) Expected Retirements (2)*(3)	(5) Weighted Age (1)*(4)
55	231.6242	0.0504	11.6838	642.6072
56	240.8915	0.0492	11.8495	663.5712
57	252.5505	0.0496	12.5171	713.4770
58	268.1674	0.0502	13.4515	780.1862
59	277.5545	0.0513	14.2357	839.9088
60	290.9044	0.0640	18.6146	1,116.8785
61	307.1799	0.0801	24.5963	1,500.3756
62	315.6428	0.0958	30.2363	1,874.6486
63	297.7237	0.1070	31.8550	2,006.8637
64	276.5338	0.1151	31.8347	2,037.4196
65	251.8298	0.4481	112.8350	7,334.2774
66	147.8893	0.3189	47.1668	3,113.0085
67	111.8170	0.3125	34.9451	2,341.3223
68	85.1031	0.3329	28.3309	1,926.5026
69	63.1350	0.3222	20.3405	1,403.4937
70	44.2547	1.0000	44.2547	3,097.8319
71	4.0000	1.0000	4.0000	284.0000
72	1.0000	1.0000	1.0000	72.0000
73	0.0000	1.0000	0.0000	0.0000
74	1.0000	1.0000	1.0000	74.0000
75	1.0000	1.0000	1.0000	75.0000
76	0.0000	1.0000	0.0000	0.0000
77	0.0000	1.0000	0.0000	0.0000
78	1.0000	1.0000	1.0000	78.0000
79	0.0000	1.0000	0.0000	0.0000
80	1.0000	1.0000	1.0000	80.0000
81	0.0000	1.0000	0.0000	0.0000
82	1.0000	1.0000	<u>1.0000</u>	<u>82.0000</u>
Total			498.7476	32,137.3729
Weighted Average Retirement Age = 32137.3729 / 498.7476				64.44
Rounded Weighted Average Retirement Age				64

Note to Column 2: The Expected Active Headcount for each age includes persons who are eligible to retire and persons who are not eligible to retire at each age.

Note to Column 3: At each age, these retirement rates are a weighted average of the rates shown in Attachment to Part V for active participants eligible to retire at the age and zero for all other active participants.

General note: The table presents values rounded to fewer significant digits than used in the calculation.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions

Non-Wolverine

Effective Date

January 1, 1970.

Covered Employees

Effective December 31, 1999, the ITT Semiconductors Pension Plan was merged with 13 other ITT hourly pension plans and re-named the ITT Consolidated Hourly Pension Plan. Effective December 31, 2003, the ITT Consolidated Hourly Pension Plan was merged with 5 other ITT hourly pension plans. Effective December 31, 2004, the ITT Consolidated Hourly Pension Plan was merged with 2 other ITT hourly pension plans. Effective December 31, 2005, the ITT Consolidated Hourly Pension Plan was merged with 2 other ITT hourly pension plans. Effective December 31, 2012, ITT Engineered Valves CA Pure Flo Solutions Group Pension Plan for Hourly Employees at Simi Valley, California merged with ITT Consolidated Hourly Pension Plan. Effective December 31, 2013, 4 Hourly Pension Plans merged with the ITT Consolidated Hourly Pension Plan. Effective November 30, 2016, Wolverine Hourly Pension Plan and Wolverine Salaried Pension Plan merged with the ITT Consolidated Hourly Pension Plan. The provisions as set forth below are representative of the provisions applicable to the former pension plans; however, some differences exist and have been reflected in this valuation.

Eligibility for Participation

First day of month following earlier of

- (a) completion of three years of service; or
- (b) attainment of age 21 and completion of one year of service.

Effective January 1, 2014 no new participants enter the Plan.

Service

Varies depending on prior plan.

Credited Service

Varies depending on prior plan. Effective December 31, 2013 credited service is frozen for all participants.

Actuarial Equivalent

Varies depending on prior plan.

Normal Retirement Pension

Eligibility

Age 65.

Basic Monthly Benefit

There are no employees accruing additional benefit service credits covered under this plan. There exist provisions for active employees covered under certain former pension plans whereby future salary and eligibility service credits are granted. These provisions have been recognized in this valuation. Effective December 31, 2013 accrued benefit is frozen for all participants.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Non-Wolverine (continued)

Early Retirement Pension

Eligibility

Age 55 and 10 years of service, with the exception of the following:

Former participants of the ITT General Controls Division Pension Plan for Hourly Employees may retire early at age 60 with 3 years of service.

Benefit

Accrued pension deferred to age 65, or immediate pension equal to accrued pension reduced by 1/15th for each of first five years and 1/30th for each of next five years by which commencement precedes normal retirement date, with the exception of the following:

- Accrued pension deferred to age 65, or immediate pension equal to accrued pension reduced by 1/200th for each of first 60 months and 1/300th for each of next 60 months by which commencement precedes normal retirement date for participants in the Control Technologies sub plan.
- After 20 years of service, accrued pension deferred to age 62, or immediate pension equal to accrued pension reduced by 1/25th for each year by which commencement precedes age 62, with the unreduced accrued benefit payable at age 62 for participants in the Cannon sub plan.

Disability Retirement Pension

Eligibility

Total and permanent disability after age 55 and 15 years of service (age 50 and 10 years of service for ITT Engineered Valves Plan), with the exception of the following:

- Total and permanent after age 50 and 15 years of service for participants in the Amory or Aerospace Controls sub plans.
- Total and permanent disability with age plus service (points) of at least 60 and at least 10 years of service for participants in the Control Technologies sub plan.
- Total and permanent after age 45 and 10 years of service for participants in the Cannon sub plan.

Benefit

Accrued pension payable immediately.

Deferred Vested Pension

Eligibility

5 years of service.

Benefit

Accrued pension deferred to age 65, or reduced pension after age 55. Reduction same as for early retirement.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Non-Wolverine (continued)

Spouse's Benefit

(1) Eligibility

Death in active service upon completion of 5 years of service but prior to age 55.

Benefit

50% of benefit that would have been payable to deceased participant under the 50% joint and survivorship annuity option. Benefits begin when participant would have been age 65 or any time after participant would have been age 55 with reduction for early commencement, at spouse's election.

(2) Eligibility

Death after termination of employment with vested benefits (5 years of service) but before benefits commence or death in active service after becoming eligible for normal or early retirement. Automatic unless waived with spousal consent.

Benefit

Amount determined as in (1) above.

Normal Form of Payment

Single

Life annuity.

Married

Reduced 50% joint and survivorship annuity.

Optional Forms of Payment – varies by sub plan

(1) Life annuity.

(2) Ten year certain and life annuity.

(3) 50% joint and survivor annuity.

(4) 55% joint and survivor annuity.

(5) 66²/₃% joint and survivor annuity.

(6) 75% joint and survivor annuity.

(7) 100% joint and survivor annuity.

(8) Social Security Leveling Option.

Contributions

Noncontributory.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Wolverine Salaried

Type of plan

- 1.) Prior to January 1, 2004: Final average earnings.
- 2.) After January 1, 2004: Cash Balance.

Covered Employees

Salaried employees.

Eligibility for Participation

Effective January 1, 2007, the plan was closed to new entrants.

Accrued Benefit

Final average earnings ("Accrued Pension"):

Greater of (1), (2), or (3), less (4), frozen on December 31, 2003¹:

(1) Greater of (a) or (b):

(a) $1.1\% \times \text{Average Pay} \times \text{Pension Service}$

(b) $2\% \times \text{Average Pay} \times \text{Pension Service}$ up to 20 years + $1\% \times \text{Average Pay} \times \text{Pension Service}$ in excess of 20 years but not more than 30 years, minus $2.5\% \times \text{Social Security} \times \text{Pension Service}$ up to 20 years.

(2) Greater of (a) or (b), divided by 0.93:

(a) $1\% \times \text{Average Pay} \times \text{Pension Service}$

(b) $2\% \times \text{Average Pay} \times \text{Pension Service}$ up to 20 years + $0.5\% \times \text{Average Pay} \times \text{Pension Service}$ in excess of 20 years but not more than 30 years, minus $2.5\% \times \text{Social Security} \times \text{Pension Service}$ up to 20 years.

(3) $\$20 \times \text{Pension Service}$ up to 20 years.

(4) Other Pension

In no case will the greater of (1), (2), or (3), less (4) based on all Pension Service be less than the greater of (1), (2), or (3) based on Pension Service not included in the Other Pension.

plus

Cash Balance

The current value of the Cash Balance account.

¹ Exception: any participant who transfers from the Hourly Plan to the Salaried Plan on or after September 1, 2003 and necessarily before January 1, 2004, will receive a Salaried benefit equal to the greater of (1), (2), or (3) based on Salaried Plan Pension Service.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Wolverine Salaried (continued)

Social Security Benefit

Monthly benefit that a member receives or would receive at age 65 (later of age 62 and actual retirement age if retiring early), under the Social Security Act calculated on January 1 of the year of termination. The benefit is based on pay estimated as follows:

Termination after early retirement date:

- Prior pay estimated using the average total wage increases used by the Social Security Administration.
- No future pay assumed after termination.

Termination before early retirement date:

- Prior pay estimated using the average total wage increases used by the Social Security Administration.
- Future pay assumed to remain level until age 65.

The Social Security benefit will be frozen at December 31, 2003 using a participant's age and service at that time.

Contribution credits

Annual pensionable pay times the sum of 4% and transition credits, plus annual pensionable pay above the Social Security wage base times 4% plus transition credits.

Transitional credits

Additional pay credit for individuals actively employed on January 1, 2004. This additional credit is only applied at the onset of the cash balance plan.

Points	Credit
< 40	0.0%
40 – 44	0.5%
45 – 49	1.0%
50 – 54	1.5%
55 – 59	2.0%
60 – 64	2.5%
65 – 69	3.0%
70 and older	3.5%

Interest credits

Based on the November average of the 10-year Treasury bond rate in effect during the calendar year prior to the interest crediting date. This amount is added to the account annually, based on the prior year's ending balance.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Wolverine Salaried (continued)

Cash Balance account

Contribution credits plus Interest Credits plus Transitional Credits. Only Interest Credits are added to the Cash Balance Account after May 31, 2013.

Points

The sum of vesting service and age at January 1, 2004.

Pensionable pay

Total aggregate calendar year compensation including 401(k) deferrals and flex plan contributions but excluding fringe benefits.

Service

Full and fractional years from date of hire or rehire.

Credited Service

Full and fractional years from date of hire or rehire.

Other Pension

Generally the benefit accrued in another plan on Pension Service is also credited under this plan.

Normal retirement date (NRD)

First of month coinciding with or next following the attainment of age 65.

Normal Retirement Pension

Eligibility

Retirement on NRD.

Benefit

Accrued Benefit payable immediately.

Early Retirement Pension

Eligibility

Retirement before NRD and on or after both attaining age 55 and completing ten years of vesting service.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Wolverine Salaried (continued)

Benefit

1.) Final average earnings benefit:

If eligible for early retirement at date of termination, the Accrued Pension is reduced by 0.4% for each month before the normal retirement date; otherwise the Accrued Pension is reduced by 0.45%.

2.) Cash Balance benefit:

Account Balance payable immediately (or converted to another actuarially equivalent payment form).

Deferred Vested Pension

Eligibility

Termination for reasons other than death or retirement after completing three years of vesting service.

Benefit

1.) Final average earnings benefit:

Accrued Pension payable unreduced at 65.

2.) Cash Balance benefit:

Account Balance payable immediately (or converted to another actuarially equivalent payment form).

Disability Retirement Pension

No benefit.

Spouse's Benefit

Eligibility

Death while in active service on or after completing becoming eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse

Benefit

1.) Final average earnings benefit:

Surviving spouse receives 50% of the participant's accrued deferred vested benefit payable on a joint and survivor basis. Payments begin no earlier than the day the participant would have attained his earliest retirement date.

2.) Cash Balance benefit:

Account Balance payable immediately (or converted to another actuarially equivalent payment form).

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Wolverine Salaried (continued)

Normal Form of Payment

For married participants:

Actuarially adjusted 50% joint and survivor.

For single participants:

Single Life Annuity

Optional Forms of Payment

In addition to the default form of payment as described above, the plan offers other forms of payment. These optional forms of payment include a 75% / 100% joint and survivor annuity, a 10-year certain and life annuity, a 10-year certain and joint and survivor annuity, and a life annuity (for married participants).

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Blacksburg Location

None.

Wolverine Hourly

Summary of Changes from the January 1, 2017 Valuation

Type of plan

Dollar per month.

Covered Employees

Hourly employees at the Wolverine plant in Blacksburg, Virginia.

Eligibility for Participation

Effective December 1, 2006, the plan was closed to new entrants for employees at this location.

Accrued Benefit

\$22.50 x Benefit Service, frozen on January 31, 2014.

Benefit Service

From date of hire to January 31, 2014.

Vesting Service

From date of hire.

Normal retirement date (NRD)

First of month coinciding with or next following the attainment of age 65.

Normal Retirement Pension

Eligibility

Retirement on NRD.

Benefit

Accrued Benefit payable immediately.

Early Retirement Pension

Eligibility

Retirement before NRD and on or after both attaining age 60 and completing ten years of vesting service.

Age 62 and completing 15 years of vesting service if termination before December 1, 1990.

Benefit

Accrued Benefit reduced 0.5% for each month payment precedes normal retirement date (1/180 per month if date of termination before December 1, 1993).

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Blacksburg Location (continued)

Deferred Vested Pension

Eligibility

Termination for reasons other than death or retirement after completing three years of vesting service.

Benefit

Accrued benefit payable at age 65.

Disability Retirement Pension

Eligibility

Retirement due to total and permanent disability on or after both attaining age 50 and completing 15 years of service.

Benefit

200% of the Accrued Benefit payable until Normal Retirement Age. Participants must elect a normal retirement benefit upon attainment of Normal Retirement Age.

Spouse's Benefit

Eligibility

Death while in active service on or after becoming eligible for normal, early, postponed, or deferred vested retirement benefits, or while receiving a Disability Retirement Pension, with an eligible surviving spouse.

Benefit

Surviving spouse receives 50% of the participant's accrued deferred vested benefit payable on a joint and survivor basis. Payments begin no earlier than the day the participant would have attained his earliest retirement age.

Normal Form of Payment

For married participants

Actuarially adjusted 50% joint and survivor.

For single participants

Single Life Annuity

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Leesburg Location

Type of Plan

- 1.) Prior to January 1, 2004: Dollar per month.
- 2.) After January 1, 2004: Cash balance.

Covered Employees

Hourly employees at the Wolverine plant in Leesburg, Florida.

Eligibility for Participation

Effective January 1, 2007, the plan was closed to new entrants for employees at this location.

Accrued Benefit

- 1.) Dollar per month: $\$15.50 \times \text{Credited Service}$ frozen at January 1, 2004 ("Accrued Pension"),
Plus
- 2.) Cash Balance: The current value of the Cash Balance account.

Cash Balance Account

\$700 per year plus Interest Credits. After January 31, 2014, the plan is frozen and only Interest Credits will be applied to the Cash Balance Account.

Interest Credits

Based on the November average of the 10-year Treasury bond rate in effect during the calendar year prior to the interest crediting date. This amount is added to the account annually based on the prior year's ending balance.

Vesting Service

From date of hire.

Normal retirement date (NRD)

First of month coinciding with or next following the attainment of age 65.

Normal Retirement Pension

Eligibility

Retirement on NRD.

Benefit

Accrued Benefit payable immediately.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Leesburg Location (continued)

Early Retirement Pension

Eligibility

Retirement before NRD and on or after both attaining age 60 and completing ten years of vesting service.

Benefit

- 1.) Dollar per month benefit:
Accrued Pension reduced 0.5% for each month payment precedes normal retirement date (1/180 per month if date of termination before December 1, 1993).
- 2.) Cash Balance benefit:
Accrued balance payable immediately (or converted to another actuarially equivalent payment form).

Deferred Vested Pension

Eligibility

Termination for reasons other than death or retirement after completing three years of vesting service.

Benefit

- 1.) Dollar per month benefit:
Accrued Pension payable at age 65.
- 2.) Cash Balance benefit:
Account Balance payable immediately (or converted to another actuarially equivalent payment form).

Disability Retirement Pension

Eligibility

Retirement due to total and permanent disability on or after attaining age 50 and completing 15 years of vesting service.

Benefit

- 1.) Dollar per month benefit:
200% of the participant's Accrued Benefit, payable until Normal Retirement Age. Participants must elect a normal retirement benefit upon attainment of Normal Retirement Age.
- 2.) Cash Balance benefit:
Account Balance payable immediately (or converted to another actuarially equivalent payment form).

Spouse's Benefit

Eligibility

Death while in active service after becoming eligible for normal, early, postponed, or deferred vested retirement benefits, or while receiving a Disability Retirement Pension, with a surviving spouse.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Part V – Summary of Plan Provisions (continued)

Leesburg Location (continued)

Benefit

1.) Dollar per month benefit:

Surviving spouse receives 50% of the participant's accrued deferred vested benefit payable on a joint and survivor basis. Payments begin no earlier than the day the participant would have attained his earliest retirement age.

2.) Cash Balance benefit:

Account Balance payable immediately (or converted to another actuarially equivalent payment form).

Normal Form of Payment

For married participants

Actuarially adjusted 50% joint and survivor.

For single participants

Single Life Annuity

Summary of Changes from the January 1, 2017 Valuation

None.

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Line 32 - Schedule of Amortization Bases

Date Established	Type Of Base	Years Remaining	Shortfall Amortization Installment	Present Value of Remaining Installments as of January 1, 2018
December 1, 2011	Shortfall	8.9167 ¹	\$ 95,486	\$ 707,408
December 1, 2012	Shortfall	1.9167 ¹	(327,855)	(617,052)
December 1, 2013	Shortfall	2.9167 ¹	22,193	62,387
December 1, 2014	Shortfall	3.9167 ¹	24,595	91,125
December 1, 2015	Shortfall	4.9167 ¹	(15,931)	(72,730)
December 1, 2016	Shortfall	5.9167 ¹	207,624	1,108,184
January 1, 2017	Shortfall	6	690,350	3,728,691
January 1, 2018	Shortfall	7	<u>888,174</u>	<u>5,440,582</u>
Total			\$ 1,584,636	\$ 10,448,595

¹ Due to treating the period December 1, 2016 through December 31, 2016 as a short plan year for Wolverine plans, the final payments are prorated amounts in accordance with IRS regulations.
Buck

ITT Consolidated Hourly Pension Plan

EIN/PN: 34-1990908 / 047

Schedule SB, Line 24 - Change in Actuarial Assumptions

- The expected return on assets was changed from 7.00% to 6.00% to better reflect the plan's target asset allocation.
- The expected plan-related expenses added to the Target Normal Cost were changed from \$2,216,459 to \$1,262,036 to reflect the anticipated change in expenses.