Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2018

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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.)
- [X] 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. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
KONE INC. EMPLOYEES' RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 05/18/1962

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)
KONE INC.

4225 NAPERVILLE ROAD, SUITE 400
LISLE, IL 60532

2b Employer Identification Number (EIN)
36-2357423

2c Plan Sponsor's telephone number
630-955-4225

2d Business code (see instructions)
333900

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.	10/03/2019	RANGARAJAN I. KRISHNAMURTHY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/03/2019	RANGARAJAN I. KRISHNAMURTHY
	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

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b**	EIN
		4d	PN
5	Total number of participants at the beginning of the plan year	**5**	3197
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	1572
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	1574
b	Retired or separated participants receiving benefits	**6b**	824
c	Other retired or separated participants entitled to future benefits	**6c**	716
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	3114
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	151
f	Total. Add lines **6d** and **6e**.	**6f**	3265
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	49
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

1A 1B 3H 1C 2I

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)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(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)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [X] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **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_____

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

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
KONE INC. EMPLOYEES' RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
36-2357423

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2018

2 Assets:

a Market value	**2a**	159661671
b Actuarial value	**2b**	151968592

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	941	48445176	48445176
b For terminated vested participants	684	19606612	19606612
c For active participants	1572	56844382	59313312
d Total	3197	124896170	127365100

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**	5.77 %
6 Target normal cost	**6**	6478561

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 — Date: 09/23/2019

ALAN D. DANG — Type or print name of actuary

Most recent enrollment number: 17-07076

AON CONSULTING, INC. — Firm name

Telephone number (including area code): 847-295-5000

4 OVERLOOK POINT
LINCOLNSHIRE, IL 60069

Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	7610622
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	7610622
10	Interest on line 9 using prior year's actual return of 14.80 %	0	1126372
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		7591326
	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 5.96%		452443
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		8043769
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	8736994

Part III Funding Percentages

14	Funding target attainment percentage	14	112.45%
15	Adjusted funding target attainment percentage	15	119.31%
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	116.13%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/12/2019	2326625	0			
07/12/2019	2326625	0			
09/12/2019	3682000	0			
			Totals ► 18(b)	8335250	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	7649425

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	
3.92%	5.52%	6.29%	☐ N/A, full yield curve used

b Applicable month (enter code) **21b** 4

22 Weighted average retirement age **22** 62

23 Mortality table(s) (see instructions)

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**	6478561
b Excess assets, if applicable, but not greater than line 31a	**31b**	6478561

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) **34** 0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	7649425

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	7649425
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

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

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**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
KONE INC. EMPLOYEES' RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KONE INC.

D Employer Identification Number (EIN)
36-2357423

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

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(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)

AON CONSULTING

22-2232264

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 50	NONE	510599	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

AON HEWITT INVESTMENT CONSULTING

36-3109431

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26 50	NONE	310927	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

WELLS FARGO BANK, N.A.

41-6257133

(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?
21 50 64 65	NONE	142114	Yes [ ] No [X]	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)

PLANTE MORAN

38-1357951

(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?
10 50	NONE	14000	Yes [ ] No [X]	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:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

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
KONE INC. EMPLOYEES' RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
KONE INC.

D Employer Identification Number (EIN)
36-2357423

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: HIGH YIELD PLUS BOND FUND

b Name of sponsor of entity listed in (a): AON HEWITT INVESTMENT CONSULTANT, INC.

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)
27-2436452-004	C	9597233

a Name of MTIA, CCT, PSA, or 103-12 IE: GLOBAL REAL ESTATE FUND

b Name of sponsor of entity listed in (a): AON HEWITT INVESTMENT CONSULTANT, INC.

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)
27-2436452-005	C	4891485

a Name of MTIA, CCT, PSA, or 103-12 IE: LARGE CAP EQUITY INDEX FUND

b Name of sponsor of entity listed in (a): AON HEWITT INVESTMENT CONSULTANT, INC.

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)
27-2436452-006	C	12395762

a Name of MTIA, CCT, PSA, or 103-12 IE: LONG CREDIT BOND FUND

b Name of sponsor of entity listed in (a): AON HEWITT INVESTMENT CONSULTANT, INC.

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)
27-2436452-007	C	37627923

a Name of MTIA, CCT, PSA, or 103-12 IE: SMALL CAP EQUITY INDEX FUND

b Name of sponsor of entity listed in (a): AON HEWITT INVESTMENT CONSULTANT, INC.

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)
27-2436452-009	C	3887648

a Name of MTIA, CCT, PSA, or 103-12 IE: NON-U.S. EQUITY INDEX FUND

b Name of sponsor of entity listed in (a): AON HEWITT INVESTMENT CONSULTANT, INC.

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)
27-2436452-010	C	15637186

a Name of MTIA, CCT, PSA, or 103-12 IE: MID DURATION LONG CREDIT BOND FUND

b Name of sponsor of entity listed in (a): AON HEWITT INVESTMENT CONSULTANT, INC.

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)
27-2436452-013	C	21828397

a Name of MTIA, CCT, PSA, or 103-12 IE: U.S. LONG GOVERNMENT BOND INDEX FD

b Name of sponsor of entity listed in (a): AON HEWITT INVESTMENT CONSULTANT, INC.

c EIN-PN 27-2436452-014	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 37207144

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

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
KONE INC. EMPLOYEES' RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KONE INC.

D Employer Identification Number (EIN)
36-2357423

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)	8304720	8335250
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	844	1907
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2321388	2402997
(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)	149295671	143072778
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(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	159922623	153812932
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	159922623	153812932

Part II Income and Expense Statement

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

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	8335250	
	(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)		8335250
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	17067	
	(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)		17067
	(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)		-4972893
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		1318
d Total income. Add all **income** amounts in column (b) and enter total	2d		3380742
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	8508403	
(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)		8508403
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)	839916	
(2) Contract administrator fees	2i(2)	142114	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		982030
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		9490433
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-6109691
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)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

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

(1) Name: PLANTE & MORAN,LLC **(2)** EIN: 38-1359951

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:

		Yes	No	Amount
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.)	4a		X	
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.)	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		5000000
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 4150884. (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
KONE INC. EMPLOYEES' RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KONE INC.

D Employer Identification Number (EIN)
36-2357423

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** 0

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): 41-6257133

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** 64

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**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: 27 % Investment-Grade Debt: 62 % High-Yield Debt: 8 % Real Estate: 2 % Other: 1 %

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):

KONE Inc. Employees' Retirement Plan

Financial Report

December 31, 2018

KONE Inc. Employees' Retirement Plan

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Independent Auditor's Report

To the Retirement Committee
KONE Inc. Employees' Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of KONE Inc. Employees' Retirement Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2018 and 2017 and the related statement of changes in net assets available for benefits for the years then ended, and the statement of accumulated plan benefits as of December 31, 2017 and the related statement of changes in accumulated plan benefits for the year 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 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A. (the "Trustee"), except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes related transactions. The plan administrator has obtained certifications from the Trustee as of and for the years ended December 31, 2018 and 2017 that the information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of assets held at end of year as of December 31, 2018 and reportable transactions for the year ended December 31, 2018 are required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

PRAXITY™
Empowering Business Globally

To the Retirement Committee
KONE Inc. Employees' Retirement Plan

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

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

Plante & Moran, PLLC

Schaumburg, Illinois
September 23, 2019

KONE Inc. Employees' Retirement Plan

Statement of Net Assets Available for Benefits

December 31, 2018 and 2017

	2018	2017
Assets		
Investments at fair value (Note 4)	$ 145,475,775	$ 151,617,059
Employer contributions receivable	8,335,250	8,304,720
Other	1,907	844
Net Assets Available for Benefits	**$ 153,812,932**	**$ 159,922,623**

See notes to financial statements.

KONE Inc. Employees' Retirement Plan

Statement of Changes in Net Assets Available for Benefits

Years Ended December 31, 2018 and 2017

	2018	2017
Additions to Net Assets		
Employer contributions	$ 8,335,250	$ 8,304,720
Investment income (loss):		
Interest and dividends	17,067	8,044
Net realized and unrealized (losses) gains on investments	(4,971,575)	18,546,668
Total investment (loss) income	(4,954,508)	18,554,712
Total additions to net assets	3,380,742	26,859,432
Deductions from Net Assets		
Benefits paid directly to participants or beneficiaries	8,508,403	8,777,686
Administrative expenses	982,030	910,877
Total deductions from net assets	9,490,433	9,688,563
Net (Decrease) Increase	(6,109,691)	17,170,869
Net Assets Available for Benefits		
Beginning of year	159,922,623	142,751,754
End of year	**$ 153,812,932**	**$ 159,922,623**

See notes to financial statements.

KONE Inc. Employees' Retirement Plan

Statement of Accumulated Plan Benefits

December 31, 2017

Actuarial Present Value of Accumulated Plan Benefits - Vested benefits:		
Participants currently receiving benefit payments	$	57,879,250
Other vested participants		109,541,594
Total vested benefits		167,420,844
Nonvested benefits		2,026,653
Total Actuarial Present Value of Accumulated Plan Benefits	**$**	**169,447,497**

See notes to financial statements.

KONE Inc. Employees' Retirement Plan

Statement of Changes in Accumulated Plan Benefits

Year Ended December 31, 2017

Actuarial Present Value of Accumulated Plan Benefits - Beginning of year	$ 153,436,380
Increase (decrease) during the year attributable to:	
Benefits accumulated	7,805,706
Interest due to the decrease in the discount period	6,142,584
Benefits paid	(8,777,686)
Plan amendments	768,396
Changes in actuarial assumptions (Note 2)	10,072,117
Net increase	16,011,117
Actuarial Present Value of Accumulated Plan Benefits - End of year	**$ 169,447,497**

See notes to financial statements.

Note 1 - Plan Description

The following description of KONE Inc. Employees' Retirement Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined benefit plan covering substantially all employees of KONE Inc. (the "Company"). The Plan is a combination of different locations and/or business units, and, therefore, requirements and benefits vary. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility and Vesting

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

Pension Benefits

Salaried and clerical employees are entitled to annual pension benefits beginning at age 65 equal to a percentage, as specified in the Plan, of their average annual compensation for the five most highly compensated consecutive calendar years within the 10-year period preceding retirement or termination of service. All other employees are entitled to annual pension benefits beginning at age 65 equal to the number of completed years of service multiplied by the applicable rate in effect at the date of retirement. Employees may elect to receive the value of their accumulated plan benefit as a lump-sum distribution upon retirement or termination, or they may elect to receive their benefits as a life annuity payable monthly from retirement.

Nonfactory plan participants' cash balance accounts shall be maintained for each participant and are composed of the annual employer credit and interest credit. The annual employer credit is calculated based on the participant's salary during the plan year multiplied by the contribution percentage, which ranges from 4.0 percent to 6.5 percent depending on the years of service. The interest credit is calculated based on the 30-year U.S. Treasury note rate.

Nonfactory plan participants' frozen benefits as of December 31, 2014 and factory participants' benefits are calculated based on the greater of the employee's compensation during his or her five most highly compensated consecutive calendar years occurring within a 10-year period immediately preceding retirement or termination of service or by multiplying credited years of service by the applicable benefit rate in effect at retirement.

During 2018, the Company divested its Konematic Inc. division. Effective June 30, 2018, the plan document was amended to remove Konematic Inc. as a related entity and participating employer. Participants from this division became 100 percent vested in their accumulated benefits as of June 30, 2018. The impact of the divestiture is not reflected in the statement of accumulated plan benefits as of December 31, 2017 and statement of changes in accumulated plan benefits for the year ended December 31, 2017 disclosed in the accompanying financial statements.

Death Benefits

If an active or terminated employee who has a vested interest in the Plan dies prior to his or her normal retirement age, a death benefit equal to the benefit the employee would have received under the qualified joint and survivor annuity form had they retired on the day immediately preceding the date of his or her death will be paid to the surviving spouse. Beneficiaries of unmarried participants and those who have elected to waive the preretirement surviving spouse benefit will receive a lump-sum benefit or monthly installments equal to the actuarial equivalent of the participant’s vested accrued normal retirement benefit at the date of break in service.

Note 1 - Plan Description (Continued)

Funding

Contributions are made by the Company in actuarially determined amounts. The Company's policy is to make contributions necessary to satisfy ERISA funding standards. Annual contributions meet the minimum funding requirements of ERISA.

Contributions

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

Party-in-interest Transactions

Certain plan assets are in investment funds managed by Wells Fargo Bank, N.A. or its affiliates. Wells Fargo Bank, N.A. is the trustee of the Plan; therefore, these transactions qualify as party-in-interest transactions, as defined under ERISA guidelines.

Note 2 - Summary of Significant Accounting Policies

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for further discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date.

Benefit Payments

Benefits are recorded when paid.

Administrative Expenses

Various administrative costs are paid by the Company.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum payments, that are attributable, under the Plan's provisions, to the service employees have rendered. These include benefits expected to be paid to:

(a) Retired or terminated employees or their beneficiaries

(b) Beneficiaries of employees who have died

(c) Present employees or their beneficiaries

Actuarial Assumptions

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 and probability of payment between the valuation date and the expected date of payment. The Plan has elected to calculate the obligation using beginning of year benefit information.

Note 2 - Summary of Significant Accounting Policies (Continued)

The significant actuarial assumptions used in the valuation of the Plan as of December 31, 2017 are summarized as follows:

Actuarial cost method	Projected unit credit cost method
Retirement age	Rates graded by age, ranging from 55 to 70+
Mortality basis	RP-2006 fully generational table with scale MP-2018 mortality improvement
Salary increases	4.0 percent increase per annum
Discount rate	3.60 percent for the 2017 year end

The increase of approximately $10.1 million of accumulated plan benefits primarily resulted from assumption changes related to a change in the discount rate and the use of an updated mortality table improvement scale.

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

Risks and Uncertainties

Contributions to the Plan and the plan benefit obligations are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. It is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including September 23, 2019, which is the date the financial statements were available to be issued.

Note 3 - Unaudited Information

Wells Fargo Bank, N.A. (the "Trustee") holds the Plan's investments and executes all investment transactions. The investment balances and related investment income and losses included in the accompanying financial statements and supplemental schedule of assets held at end of year are based solely on information certified by the Trustee.

Note 4 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the valuation techniques and inputs used to measure fair value.

Level 1

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Plan has the ability to access.

Level 2

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, and inputs other than quoted prices that are observable for the asset.

Level 3

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances whereby inputs used to measure fair value fall into different levels of the fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Plan's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

The following valuation methodologies have been used to value the Plan's investments:

Money Market Fund

The money market fund is valued at quoted prices reported in active markets.

Common Collective Trust Funds

The common collective trust funds are valued at net asset value per share (NAV) or its equivalent of the funds, which is based on the fair value of the funds' underlying assets.

The following tables present information about the Plan's assets measured at fair value on a recurring basis at December 31, 2018 and 2017:

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2018	
	Investments (at Fair Value)	Level 1
Money market fund	$ 2,402,997	$ 2,402,997
Investments measured at NAV - Common collective trust funds	143,072,778	
Total investments at fair value	$ 145,475,775	

Note 4 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2017	
	Investments (at Fair Value)	Level 1
Money market fund	$ 2,321,388	$ 2,321,388
Investments measured at NAV - Common collective trust funds	149,295,671	
Total investments at fair value	$ 151,617,059	

There were no unfunded commitments or redemption restrictions on the investments described above.

The Plan's policy is to recognize transfers between levels of the fair value hierarchy as of the end of the reporting period. There were no significant transfers between levels of the fair value hierarchy during 2018.

Note 5 - Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated June 27, 2014 indicating that the Plan, as designed, is qualified for tax-exempt treatment under the applicable section of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, management believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

Note 6 - Plan Termination

Should the Plan terminate at some future time, its net assets generally will not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guarantee, while other benefits may not be provided for at all.

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
	CASH EQUIVALENTS				
	OTHER CASH EQUIVALENTS				
	NON-PROPRIETARY CASH SWEEP				
2,402,996.840	WELLS FARGO BANK COLLATERALIZED INSTITUTIONAL BANK DEPOSIT ACCOUNT 992995936	2,402,996.84 100.0000	2,402,996.84 100.0000	0.00	1,906.66
	TOTAL NON-PROPRIETARY CASH SWEEP	2,402,996.84	2,402,996.84	0.00	1,906.66
	TOTAL OTHER CASH EQUIVALENTS	**2,402,996.84**	**2,402,996.84**	**0.00**	**1,906.66**
	TOTAL CASH EQUIVALENTS	**2,402,996.84**	**2,402,996.84**	**0.00**	**1,906.66**
	POOLED, COMMON AND COLLECTIVE FUNDS				
	POOLED FUNDS				
1,336,278.191	AON HEWITT GROUP TRUST NON-U.S. EQUITY INDEX FUND MS6595537	14,910,131.65 11.1580	15,637,186.19 11.7020	727,054.54	0.00
250,074.049	AON HEWITT GROUP TRUST GLOBAL REAL ESTATE FUND MS6556976	3,949,935.97 15.7951	4,891,484.66 19.5601	941,548.69	0.00
636,596.731	AON HEWITT GROUP TRUST HIGH YIELD BOND FUND MS6595586	8,807,044.56 13.8346	9,597,233.01 15.0758	790,188.45	0.00
170,353.080	AGT SMC PASSIVE EQTY MS4158015	3,336,251.53 19.5843	3,887,648.42 22.8211	551,396.89	0.00

STATEMENT OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

PAR VALUE/SHARES	DESCRIPTION	COST VALUE / UNIT COST	MARKET VALUE / UNIT PRICE	UNREALIZED GAIN/LOSS	ACCRUED INCOME
2,127,620.938	AON HEWITT GROUP TRUST LONG CREDIT BOND FUND MS6595602	37,467,583.88 17.6101	37,627,923.08 17.6854	160,339.20	0.00
458,270.632	AON HEWITT GROUP TRUST LARGE CAP EQUITY INDEX FUND MS6557024	8,865,056.09 19.3446	12,395,762.32 27.0490	3,530,706.23	0.00
3,697,095.452	AHGT US LG GOV BD IRT MIRRORED HOLDING IRT MIRRORED HOLDING 108993270	35,949,889.37 9.7238	37,207,143.46 10.0639	1,257,254.09	0.00
1,873,555.568	AON MID LOC MS2699325	21,890,439.35 11.6839	21,828,396.86 11.6508	62,042.49-	0.00
	TOTAL POOLED FUNDS	135,176,332.40	143,072,778.00	7,896,445.60	0.00
	TOTAL POOLED, COMMON AND COLLECTIVE FUNDS	**135,176,332.40**	**143,072,778.00**	**7,896,445.60**	**0.00**
	TOTAL ASSETS AND LIABILITIES	**137,579,329.24**	**145,475,774.84**	**7,896,445.60**	**1,906.66**
	ACCRUED INCOME	1,906.66	1,906.66		
	TOTAL ACCOUNT	**137,581,235.90**	**145,477,681.50**	**7,896,445.60**	

REPORTABLE TRANSACTIONS - SINGLE / BY ISSUE
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

DATE BOUGHT/SOLD		SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
	BEGINNING MARKET VALUE			151,617,903.16			
	COMPARATIVE VALUE (5%)			7,580,895.16			
	ISSUE: MS2699325 - AON MID LOC						
02/08/18	S	1,199,650	12.087	0	14,500,000 *	13,380,642	1,119,358
	ISSUE: MS2699325 - AON MID LOC						
03/19/18	B	915,106	11.911	$10900000	10,900,000-*	10,900,000	
	ISSUE: MS2699325 - AON MID LOC						
04/25/18	S	643,404	11.890	0	7,650,000 *	7,328,946	321,054
	ISSUE: MS2699325 - AON MID LOC						
06/05/18	B	1,179,389	11.871	$14000000	14,000,000-*	14,000,000	
	ISSUE: MS2699325 - AON MID LOC						
07/24/18	S	1,847,979	11.905	0	22,000,000 *	21,226,160	773,840
	ISSUE: MS2699325 - AON MID LOC						
09/19/18	S	1,042,715	11.988	0	12,500,000 *	11,976,779	523,221
	ISSUE: MS2699325 - AON MID LOC						
10/10/18	S	1,669,911	11.977	0	20,000,000 *	19,180,850	819,150
	ISSUE: MS2699325 - AON MID LOC						
11/30/18	S	1,050,856	11.895	0	12,500,000 *	12,070,289	429,711
	ISSUE: MS2699325 - AON MID LOC						
12/10/18	B	1,625,510	11.689	$19000000	19,000,000-*	19,000,000	
	ISSUE: MS6595602 - AGT US LNG FI ACT CR						
02/08/18	B	796,002	18.216	$14500000	14,500,000-*	14,500,000	
	ISSUE: MS6595602 - AGT US LNG FI ACT CR						
03/19/18	S	557,782	17.928	0	10,000,000 *	9,771,871	228,129
	ISSUE: MS6595602 - AGT US LNG FI ACT CR						
06/05/18	S	563,250	17.754	0	10,000,000 *	9,875,618	124,382
	ISSUE: MS6595602 - AGT US LNG FI ACT CR						
09/19/18	B	872,125	17.773	$15500000	15,500,000-*	15,500,000	
	ISSUE: MS6595602 - AGT US LNG FI ACT CR						
10/10/18	B	1,135,105	17.619	$20000000	20,000,000-*	20,000,000	
	ISSUE: MS6595602 - AGT US LNG FI ACT CR						
11/08/18	B	717,340	17.425	$12500000	12,500,000-*	12,500,000	
	ISSUE: MS6595602 - AGT US LNG FI ACT CR						
12/10/18	S	1,139,709	17.548	0	20,000,000 *	20,070,368	-70,368
	ISSUE: 108993270 - AHGT US LG GOV BD						
04/25/18	B	817,376	9.543	7,800,000	7,800,000-*	7,800,000	
	ISSUE: 108993270 - AHGT US LG GOV BD						
07/24/18	B	2,253,015	9.765	$22000000	22,000,000-*	22,000,000	
	GRAND TOTAL			$13620000	265,350,000	261,081,523	4,268,477

REPORTABLE TRANSACTIONS - SINGLE / BY ISSUE **KONE INC. DB CASH AND HEK FUNDS**
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018 **ACCOUNT NUMBER 8001081**

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS

F O O T N O T E S

* = SINGLE TRANSACTION IS 5% REPORTABLE
B = BUY TRANSACTION
S = SELL TRANSACTION
R = REINVESTMENT TRANSACTION

REPORTABLE TRANSACTIONS - SERIES / BY BROKER
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

SERIES / BY BROKER

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
	BEGINNING MARKET VALUE		151,617,903.16			
	COMPARATIVE VALUE (5%)		7,580,895.16			
	BROKER: MISCELLANEOUS					
	ISSUE: MS6595602 - AGT US LNG FI ACT CR					
02/08/18 B	796,002	18.216	$14500000	14,500,000-*	14,500,000	
	ISSUE: MS2699325 - AON MID LOC					
02/08/18 S	1,199,650	12.087	0	14,500,000 *	13,380,642	1,119,358
	ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY					
02/16/18 S	21,739	13.800	0	300,000	242,568	57,432
	ISSUE: MS6595586 - AGT HIGH YIELD BOND					
02/16/18 S	38,240	15.691	0	600,000	529,027	70,973
	ISSUE: MS2699325 - AON MID LOC					
02/16/18 S	375,249	11.992	0	4,500,000	4,185,446	314,554
	ISSUE: 108993270 - AHGT US LG GOV BD					
02/16/18 B	468,903	9.597	4,500,000	4,500,000-	4,500,000	
	ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY					
03/01/18 S	44,054	13.620	0	600,000	491,549	108,451
	ISSUE: MS6595602 - AGT US LNG FI ACT CR					
03/01/18 B	249,405	18.043	4,500,000	4,500,000-	4,500,000	
	ISSUE: MS2699325 - AON MID LOC					
03/01/18 S	267,039	11.983	0	3,200,000	2,978,500	221,500
	ISSUE: MS6556976 - AGT GLOBAL REAL ESTATE FD					
03/01/18 S	26,483	18.880	0	500,000	415,332	84,668
	ISSUE: MS6557024 - AGT US PASSIVE EQTY					
03/01/18 S	17,354	28.811	0	500,000	328,352	171,648
	ISSUE: MS6595602 - AGT US LNG FI ACT CR					
03/13/18 S	272,590	17.976	0	4,900,000	4,775,539	124,461
	ISSUE: MS2699325 - AON MID LOC					
03/13/18 B	309,186	11.967	3,700,000	3,700,000-	3,700,000	
	ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY					
03/19/18 S	36,770	13.598	0	500,000	410,279	89,721
	ISSUE: MS6595602 - AGT US LNG FI ACT CR					
03/19/18 S	557,782	17.928	0	10,000,000 *	9,771,871	228,129
	ISSUE: MS4158015 - AGT SMC PASSIVE EQTY					
03/19/18 S	5,705	26.291	0	150,000	111,737	38,263
	ISSUE: MS2699325 - AON MID LOC					
03/19/18 B	915,106	11.911	$10900000	10,900,000-*	10,900,000	

SERIES / BY BROKER

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
ISSUE: MS6557024 - AGT US PASSIVE EQTY						
03/19/18 S	8,671	28.833	0	250,000	164,050	85,950
ISSUE: MS2699325 - AON MID LOC						
04/09/18 B	499,174	12.020	6,000,000	6,000,000-	6,000,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
04/10/18 S	329,357	18.217	0	6,000,000	5,770,060	229,940
ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY						
04/20/18 S	28,966	13.809	0	400,000	323,202	76,798
ISSUE: MS2699325 - AON MID LOC						
04/20/18 S	66,760	11.983	0	800,000	760,458	39,542
ISSUE: 108993270 - AHGT US LG GOV BD						
04/20/18 B	154,501	9.709	1,500,000	1,500,000-	1,500,000	
ISSUE: MS6556976 - AGT GLOBAL REAL ESTATE FD						
04/20/18 B	7,781	19.278	150,000	150,000-	150,000	
ISSUE: MS6557024 - AGT US PASSIVE EQTY						
04/20/18 B	20,936	28.659	600,000	600,000-	600,000	
ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY						
04/25/18 S	11,094	13.521	0	150,000	123,781	26,219
ISSUE: MS2699325 - AON MID LOC						
04/25/18 S	643,404	11.890	0	7,650,000 *	7,328,946	321,054
ISSUE: 108993270 - AHGT US LG GOV BD						
04/25/18 B	817,376	9.543	7,800,000	7,800,000-*	7,800,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
05/22/18 B	227,356	17.593	4,000,000	4,000,000-	4,000,000	
ISSUE: MS2699325 - AON MID LOC						
05/22/18 S	337,255	11.861	0	4,000,000	3,841,630	158,370
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
06/05/18 S	563,250	17.754	0	10,000,000 *	9,875,618	124,382
ISSUE: MS4158015 - AGT SMC PASSIVE EQTY						
06/05/18 S	9,009	27.750	0	250,000	176,433	73,567
ISSUE: MS2699325 - AON MID LOC						
06/05/18 B	1,179,389	11.871	$14000000	14,000,000-*	14,000,000	
ISSUE: 108993270 - AHGT US LG GOV BD						
06/05/18 S	409,437	9.770	0	4,000,000	3,950,111	49,889
ISSUE: MS6557024 - AGT US PASSIVE EQTY						
06/05/18 S	15,354	29.309	0	450,000	297,011	152,989
ISSUE: MS2699325 - AON MID LOC						
07/24/18 S	1,847,979	11.905	0	22,000,000 *	21,226,160	773,840
ISSUE: 108993270 - AHGT US LG GOV BD						
07/24/18 B	2,253,015	9.765	$22000000	22,000,000-*	22,000,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
07/31/18 B	83,561	17.951	1,500,000	1,500,000-	1,500,000	
ISSUE: MS2699325 - AON MID LOC						
07/31/18 S	249,752	12.012	0	3,000,000	2,868,687	131,313

REPORTABLE TRANSACTIONS - SERIES / BY BROKER
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

SERIES / BY BROKER

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
ISSUE: 108993270 - AHGT US LG GOV BD						
07/31/18 B	153,624	9.764	1,500,000	1,500,000-	1,500,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
09/19/18 B	872,125	17.773	$15500000	15,500,000-*	15,500,000	
ISSUE: MS2699325 - AON MID LOC						
09/19/18 S	1,042,715	11.988	0	12,500,000 *	11,976,779	523,221
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
10/10/18 B	1,135,105	17.619	$20000000	20,000,000-*	20,000,000	
ISSUE: MS2699325 - AON MID LOC						
10/10/18 S	1,669,911	11.977	0	20,000,000 *	19,180,850	819,150
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
11/08/18 B	717,340	17.425	$12500000	12,500,000-*	12,500,000	
ISSUE: MS6557024 - AGT US PASSIVE EQTY						
11/20/18 S	6,905	28.963	0	200,000	133,582	66,418
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
11/30/18 S	173,257	17.315	0	3,000,000	3,051,062	-51,062
ISSUE: MS2699325 - AON MID LOC						
11/30/18 S	1,050,856	11.895	0	12,500,000 *	12,070,289	429,711
ISSUE: MS2699325 - AON MID LOC						
11/30/18 B	170,522	11.729	2,000,000	2,000,000-	2,000,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
12/10/18 S	1,139,709	17.548	0	20,000,000 *	20,070,368	-70,368
ISSUE: MS2699325 - AON MID LOC						
12/10/18 B	1,625,510	11.689	$19000000	19,000,000-*	19,000,000	
SUB-TOTAL			$16615000	333,550,000	326,959,919	6,590,081
GRAND TOTAL			$16615000	333,550,000	326,959,919	6,590,081

F O O T N O T E S

* = SINGLE TRANSACTION IS 5% REPORTABLE
B = BUY TRANSACTION
S = SELL TRANSACTION
R = REINVESTMENT TRANSACTION

REPORTABLE TRANSACTIONS - SERIES / BY ISSUE
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

SERIES / BY ISSUE

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
	BEGINNING MARKET VALUE		151,617,903.16			
	COMPARATIVE VALUE (5%)		7,580,895.16			
ISSUE: MS2699325 - AON MID LOC						
03/13/18 B	309,186	11.967	3,700,000	3,700,000-	3,700,000	
03/19/18 B	915,106	11.911	$10900000	10,900,000-*	10,900,000	
04/09/18 B	499,174	12.020	6,000,000	6,000,000-	6,000,000	
06/05/18 B	1,179,389	11.871	$14000000	14,000,000-*	14,000,000	
11/30/18 B	170,522	11.729	2,000,000	2,000,000-	2,000,000	
12/10/18 B	1,625,510	11.689	$19000000	19,000,000-*	19,000,000	
	SUB-TOTAL OF BUYS # 6		$55600000	55,600,000	55,600,000	
02/08/18 S	1,199,650	12.087	0	14,500,000 *	13,380,642	1,119,358
02/16/18 S	375,249	11.992	0	4,500,000	4,185,446	314,554
03/01/18 S	267,039	11.983	0	3,200,000	2,978,500	221,500
04/20/18 S	66,760	11.983	0	800,000	760,458	39,542
04/25/18 S	643,404	11.890	0	7,650,000 *	7,328,946	321,054
05/22/18 S	337,255	11.861	0	4,000,000	3,841,630	158,370
07/24/18 S	1,847,979	11.905	0	22,000,000 *	21,226,160	773,840
07/31/18 S	249,752	12.012	0	3,000,000	2,868,687	131,313
09/19/18 S	1,042,715	11.988	0	12,500,000 *	11,976,779	523,221
10/10/18 S	1,669,911	11.977	0	20,000,000 *	19,180,850	819,150
11/30/18 S	1,050,856	11.895	0	12,500,000 *	12,070,289	429,711
	SUB-TOTAL OF SALES # 11		0	104,650,000	99,798,387	4,851,614
	SUB-TOTAL		$55600000	160,250,000	155,398,387	4,851,614
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
02/08/18 B	796,002	18.216	$14500000	14,500,000-*	14,500,000	
03/01/18 B	249,405	18.043	4,500,000	4,500,000-	4,500,000	
05/22/18 B	227,356	17.593	4,000,000	4,000,000-	4,000,000	
07/31/18 B	83,561	17.951	1,500,000	1,500,000-	1,500,000	
09/19/18 B	872,125	17.773	$15500000	15,500,000-*	15,500,000	
10/10/18 B	1,135,105	17.619	$20000000	20,000,000-*	20,000,000	
11/08/18 B	717,340	17.425	$12500000	12,500,000-*	12,500,000	

SERIES / BY ISSUE

DATE BOUGHT/SOLD		SHARES/ PAR VALUE		UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH		TRANSACTION COST	REALIZED GAIN/LOSS
	SUB-TOTAL OF BUYS	# 7			$72500000	72,500,000		72,500,000	
03/13/18	S	272,590		17.976	0	4,900,000		4,775,539	124,461
03/19/18	S	557,782		17.928	0	10,000,000	*	9,771,871	228,129
04/10/18	S	329,357		18.217	0	6,000,000		5,770,060	229,940
06/05/18	S	563,250		17.754	0	10,000,000	*	9,875,618	124,382
11/30/18	S	173,257		17.315	0	3,000,000		3,051,062	-51,062
12/10/18	S	1,139,709		17.548	0	20,000,000	*	20,070,368	-70,368
	SUB-TOTAL OF SALES	# 6			0	53,900,000		53,314,518	585,481
	SUB-TOTAL				$72500000	126,400,000		125,814,518	585,481
ISSUE: 108993270 - AHGT US LG GOV BD									
02/16/18	B	468,903		9.597	4,500,000	4,500,000-		4,500,000	
04/20/18	B	154,501		9.709	1,500,000	1,500,000-		1,500,000	
04/25/18	B	817,376		9.543	7,800,000	7,800,000-	*	7,800,000	
07/24/18	B	2,253,015		9.765	$22000000	22,000,000-	*	22,000,000	
07/31/18	B	153,624		9.764	1,500,000	1,500,000-		1,500,000	
	SUB-TOTAL OF BUYS	# 5			$37300000	37,300,000		37,300,000	
06/05/18	S	409,437		9.770	0	4,000,000		3,950,111	49,889
	SUB-TOTAL OF SALES	# 1			0	4,000,000		3,950,111	49,889
	SUB-TOTAL				$37300000	41,300,000		41,250,111	49,889
ISSUE: 992995936 - WFB COLLATERALIZED INST BANK DEP A/C									
01/04/18	B	374		1.000	0	374-		374	
02/07/18	B	2,126		1.000	0	2,126-		2,126	
02/16/18	B	900,000		1.000	0	900,000-		900,000	
03/12/18	B	790		1.000	0	790-		790	
03/13/18	B	1,193,879		1.000	0	1,193,879-		1,193,879	
03/20/18	B	149		1.000	0	149-		149	
03/28/18	B	152		1.000	0	152-		152	
04/04/18	B	698		1.000	0	698-		698	
04/12/18	B	2,043,360		1.000	0	2,043,360-		2,043,360	
04/23/18	B	113		1.000	0	113-		113	

REPORTABLE TRANSACTIONS - SERIES / BY ISSUE
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

SERIES / BY ISSUE

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
04/30/18 B	1,483	1.000	0	1,483-	1,483	
05/10/18 B	1,654	1.000	0	1,654-	1,654	
05/16/18 B	288	1.000	0	288-	288	
05/31/18 B	267	1.000	0	267-	267	
06/05/18 B	279,383	1.000	0	279,383-	279,383	
06/08/18 B	1,744	1.000	0	1,744-	1,744	
06/13/18 B	150	1.000	0	150-	150	
06/14/18 B	68,436	1.000	0	68,436-	68,436	
06/29/18 B	484	1.000	0	484-	484	
07/12/18 B	1,882,162	1.000	0	1,882,162-	1,882,162	
08/08/18 B	1,540	1.000	0	1,540-	1,540	
08/28/18 B	22	1.000	0	22-	22	
09/13/18 B	4,218,000	1.000	0	4,218,000-	4,218,000	
10/15/18 B	239	1.000	0	239-	239	
10/30/18 B	135	1.000	0	135-	135	
10/31/18 B	1,411	1.000	0	1,411-	1,411	
11/20/18 B	1,200,000	1.000	0	1,200,000-	1,200,000	
12/07/18 B	910	1.000	0	910-	910	
12/10/18 B	156	1.000	0	156-	156	
12/11/18 B	974,865	1.000	0	974,865-	974,865	
12/18/18 B	626	1.000	0	626-	626	
12/19/18 B	305	1.000	0	305-	305	
12/31/18 B	455	1.000	0	455-	455	
SUB-TOTAL OF BUYS	# 33		0	12,776,356	12,776,356	
01/02/18 S	425,990	1.000	0	425,990	425,990	0
01/08/18 S	374	1.000	0	374	374	0
01/22/18 S	52,304	1.000	0	52,304	52,304	0
01/24/18 S	799	1.000	0	799	799	0
02/01/18 S	426,116	1.000	0	426,116	426,116	0
02/02/18 S	43,973	1.000	0	43,973	43,973	0
02/06/18 S	31,517	1.000	0	31,517	31,517	0
02/09/18 S	3,232	1.000	0	3,232	3,232	0
02/20/18 S	112,887	1.000	0	112,887	112,887	0
02/26/18 S	146,154	1.000	0	146,154	146,154	0
02/27/18 S	36,091	1.000	0	36,091	36,091	0
03/01/18 S	128,169	1.000	0	128,169	128,169	0
03/07/18 S	480,534	1.000	0	480,534	480,534	0
03/09/18 S	18,685	1.000	0	18,685	18,685	0
04/02/18 S	473,090	1.000	0	473,090	473,090	0
04/03/18 S	18,523	1.000	0	18,523	18,523	0
04/05/18 S	162	1.000	0	162	162	0
04/06/18 S	698	1.000	0	698	698	0

REPORTABLE TRANSACTIONS - SERIES / BY ISSUE
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

SERIES / BY ISSUE

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
04/10/18 S	46,240	1.000	0	46,240	46,240	0
04/16/18 S	278	1.000	0	278	278	0
04/17/18 S	297	1.000	0	297	297	0
04/20/18 S	1,050,113	1.000	0	1,050,113	1,050,113	0
04/24/18 S	123,964	1.000	0	123,964	123,964	0
04/25/18 S	113	1.000	0	113	113	0
05/01/18 S	473,374	1.000	0	473,374	473,374	0
05/02/18 S	1	1.000	0	1	1	0
05/11/18 S	391	1.000	0	391	391	0
05/22/18 S	24,721	1.000	0	24,721	24,721	0
05/23/18 S	499	1.000	0	499	499	0
05/24/18 S	4,663	1.000	0	4,663	4,663	0
05/29/18 S	111,391	1.000	0	111,391	111,391	0
05/30/18 S	34,886	1.000	0	34,886	34,886	0
06/01/18 S	770,312	1.000	0	770,312	770,312	0
06/04/18 S	841	1.000	0	841	841	0
06/11/18 S	114,819	1.000	0	114,819	114,819	0
06/12/18 S	3,796	1.000	0	3,796	3,796	0
06/19/18 S	13,637	1.000	0	13,637	13,637	0
06/20/18 S	52,712	1.000	0	52,712	52,712	0
06/21/18 S	5,712	1.000	0	5,712	5,712	0
06/22/18 S	1,422	1.000	0	1,422	1,422	0
06/26/18 S	48,068	1.000	0	48,068	48,068	0
07/02/18 S	491,814	1.000	0	491,814	491,814	0
07/03/18 S	11,707	1.000	0	11,707	11,707	0
07/05/18 S	11,913	1.000	0	11,913	11,913	0
07/19/18 S	17,491	1.000	0	17,491	17,491	0
07/20/18 S	8,768	1.000	0	8,768	8,768	0
07/23/18 S	653	1.000	0	653	653	0
07/26/18 S	114,850	1.000	0	114,850	114,850	0
08/01/18 S	446,496	1.000	0	446,496	446,496	0
08/02/18 S	793	1.000	0	793	793	0
08/09/18 S	2,326	1.000	0	2,326	2,326	0
08/15/18 S	75,581	1.000	0	75,581	75,581	0
08/17/18 S	990	1.000	0	990	990	0
08/20/18 S	3,157	1.000	0	3,157	3,157	0
08/21/18 S	35,155	1.000	0	35,155	35,155	0
08/22/18 S	1,988	1.000	0	1,988	1,988	0
08/24/18 S	31,093	1.000	0	31,093	31,093	0
08/27/18 S	9,625	1.000	0	9,625	9,625	0
09/04/18 S	477,362	1.000	0	477,362	477,362	0
09/05/18 S	639	1.000	0	639	639	0
09/06/18 S	150	1.000	0	150	150	0
09/07/18 S	416	1.000	0	416	416	0

REPORTABLE TRANSACTIONS - SERIES / BY ISSUE
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

SERIES / BY ISSUE

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
09/14/18 S	34,855	1.000	0	34,855	34,855	0
09/17/18 S	612	1.000	0	612	612	0
09/20/18 S	3,000,000	1.000	0	3,000,000	3,000,000	0
09/24/18 S	1,028	1.000	0	1,028	1,028	0
09/26/18 S	35,594	1.000	0	35,594	35,594	0
09/28/18 S	48,633	1.000	0	48,633	48,633	0
10/01/18 S	476,052	1.000	0	476,052	476,052	0
10/02/18 S	117	1.000	0	117	117	0
10/03/18 S	7,785	1.000	0	7,785	7,785	0
10/04/18 S	302	1.000	0	302	302	0
10/05/18 S	24,107	1.000	0	24,107	24,107	0
10/17/18 S	120	1.000	0	120	120	0
10/18/18 S	82,651	1.000	0	82,651	82,651	0
10/19/18 S	229,132	1.000	0	229,132	229,132	0
10/22/18 S	116	1.000	0	116	116	0
10/25/18 S	120	1.000	0	120	120	0
11/01/18 S	463,037	1.000	0	463,037	463,037	0
11/02/18 S	426	1.000	0	426	426	0
11/07/18 S	60	1.000	0	60	60	0
11/08/18 S	158,082	1.000	0	158,082	158,082	0
11/09/18 S	388	1.000	0	388	388	0
11/13/18 S	230,556	1.000	0	230,556	230,556	0
11/14/18 S	78,904	1.000	0	78,904	78,904	0
11/15/18 S	36,387	1.000	0	36,387	36,387	0
11/16/18 S	19,204	1.000	0	19,204	19,204	0
11/21/18 S	14,126	1.000	0	14,126	14,126	0
11/23/18 S	30,517	1.000	0	30,517	30,517	0
12/03/18 S	433,762	1.000	0	433,762	433,762	0
12/06/18 S	3,616	1.000	0	3,616	3,616	0
12/13/18 S	39,663	1.000	0	39,663	39,663	0
12/17/18 S	220,283	1.000	0	220,283	220,283	0
SUB-TOTAL OF SALES # 93			0	12,694,750	12,694,750	0
SUB-TOTAL			0	25,471,106	25,471,106	0
GRAND TOTAL			$16540000	353,421,106	347,934,122	5,486,984

REPORTABLE TRANSACTIONS - SERIES / BY ISSUE
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

SERIES / BY ISSUE

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS

F O O T N O T E S

* = SINGLE TRANSACTION IS 5% REPORTABLE
B = BUY TRANSACTION
S = SELL TRANSACTION
R = REINVESTMENT TRANSACTION

SINGLE / BY BROKER

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
	BEGINNING MARKET VALUE		151,617,903.16			
	COMPARATIVE VALUE (5%)		7,580,895.16			
	BROKER: MISCELLANEOUS					
	ISSUE: MS6595602 - AGT US LNG FI ACT CR					
02/08/18 B	796,002	18.216	$14500000	14,500,000-*	14,500,000	
	ISSUE: MS2699325 - AON MID LOC					
02/08/18 S	1,199,650	12.087	0	14,500,000 *	13,380,642	1,119,358
	ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY					
02/16/18 S	21,739	13.800	0	300,000	242,568	57,432
	ISSUE: MS6595586 - AGT HIGH YIELD BOND					
02/16/18 S	38,240	15.691	0	600,000	529,027	70,973
	ISSUE: MS2699325 - AON MID LOC					
02/16/18 S	375,249	11.992	0	4,500,000	4,185,446	314,554
	ISSUE: 108993270 - AHGT US LG GOV BD					
02/16/18 B	468,903	9.597	4,500,000	4,500,000-	4,500,000	
	ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY					
03/01/18 S	44,054	13.620	0	600,000	491,549	108,451
	ISSUE: MS6595602 - AGT US LNG FI ACT CR					
03/01/18 B	249,405	18.043	4,500,000	4,500,000-	4,500,000	
	ISSUE: MS2699325 - AON MID LOC					
03/01/18 S	267,039	11.983	0	3,200,000	2,978,500	221,500
	ISSUE: MS6556976 - AGT GLOBAL REAL ESTATE FD					
03/01/18 S	26,483	18.880	0	500,000	415,332	84,668
	ISSUE: MS6557024 - AGT US PASSIVE EQTY					
03/01/18 S	17,354	28.811	0	500,000	328,352	171,648
	ISSUE: MS6595602 - AGT US LNG FI ACT CR					
03/13/18 S	272,590	17.976	0	4,900,000	4,775,539	124,461
	ISSUE: MS2699325 - AON MID LOC					
03/13/18 B	309,186	11.967	3,700,000	3,700,000-	3,700,000	
	ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY					
03/19/18 S	36,770	13.598	0	500,000	410,279	89,721
	ISSUE: MS6595602 - AGT US LNG FI ACT CR					
03/19/18 S	557,782	17.928	0	10,000,000 *	9,771,871	228,129
	ISSUE: MS4158015 - AGT SMC PASSIVE EQTY					
03/19/18 S	5,705	26.291	0	150,000	111,737	38,263
	ISSUE: MS2699325 - AON MID LOC					
03/19/18 B	915,106	11.911	$10900000	10,900,000-*	10,900,000	

SINGLE / BY BROKER

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
ISSUE: MS6557024 - AGT US PASSIVE EQTY						
03/19/18 S	8,671	28.833	0	250,000	164,050	85,950
ISSUE: MS2699325 - AON MID LOC						
04/09/18 B	499,174	12.020	6,000,000	6,000,000-	6,000,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
04/10/18 S	329,357	18.217	0	6,000,000	5,770,060	229,940
ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY						
04/20/18 S	28,966	13.809	0	400,000	323,202	76,798
ISSUE: MS2699325 - AON MID LOC						
04/20/18 S	66,760	11.983	0	800,000	760,458	39,542
ISSUE: 108993270 - AHGT US LG GOV BD						
04/20/18 B	154,501	9.709	1,500,000	1,500,000-	1,500,000	
ISSUE: MS6556976 - AGT GLOBAL REAL ESTATE FD						
04/20/18 B	7,781	19.278	150,000	150,000-	150,000	
ISSUE: MS6557024 - AGT US PASSIVE EQTY						
04/20/18 B	20,936	28.659	600,000	600,000-	600,000	
ISSUE: MS6595537 - AGT ACWI-EX US PASSIVE EQUITY						
04/25/18 S	11,094	13.521	0	150,000	123,781	26,219
ISSUE: MS2699325 - AON MID LOC						
04/25/18 S	643,404	11.890	0	7,650,000 *	7,328,946	321,054
ISSUE: 108993270 - AHGT US LG GOV BD						
04/25/18 B	817,376	9.543	7,800,000	7,800,000-*	7,800,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
05/22/18 B	227,356	17.593	4,000,000	4,000,000-	4,000,000	
ISSUE: MS2699325 - AON MID LOC						
05/22/18 S	337,255	11.861	0	4,000,000	3,841,630	158,370
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
06/05/18 S	563,250	17.754	0	10,000,000 *	9,875,618	124,382
ISSUE: MS4158015 - AGT SMC PASSIVE EQTY						
06/05/18 S	9,009	27.750	0	250,000	176,433	73,567
ISSUE: MS2699325 - AON MID LOC						
06/05/18 B	1,179,389	11.871	$14000000	14,000,000-*	14,000,000	
ISSUE: 108993270 - AHGT US LG GOV BD						
06/05/18 S	409,437	9.770	0	4,000,000	3,950,111	49,889
ISSUE: MS6557024 - AGT US PASSIVE EQTY						
06/05/18 S	15,354	29.309	0	450,000	297,011	152,989
ISSUE: MS2699325 - AON MID LOC						
07/24/18 S	1,847,979	11.905	0	22,000,000 *	21,226,160	773,840
ISSUE: 108993270 - AHGT US LG GOV BD						
07/24/18 B	2,253,015	9.765	$22000000	22,000,000-*	22,000,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
07/31/18 B	83,561	17.951	1,500,000	1,500,000-	1,500,000	
ISSUE: MS2699325 - AON MID LOC						
07/31/18 S	249,752	12.012	0	3,000,000	2,868,687	131,313

REPORTABLE TRANSACTIONS - SINGLE / BY BROKER
FOR THE PERIOD JANUARY 1, 2018 THROUGH DECEMBER 31, 2018

KONE INC. DB CASH AND HEK FUNDS
ACCOUNT NUMBER 8001081

SINGLE / BY BROKER

DATE BOUGHT/SOLD	SHARES/ PAR VALUE	UNIT PRICE	EXPENSE INCURRED	PRINCIPAL CASH	TRANSACTION COST	REALIZED GAIN/LOSS
ISSUE: 108993270 - AHGT US LG GOV BD						
07/31/18 B	153,624	9.764	1,500,000	1,500,000-	1,500,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
09/19/18 B	872,125	17.773	$15500000	15,500,000-*	15,500,000	
ISSUE: MS2699325 - AON MID LOC						
09/19/18 S	1,042,715	11.988	0	12,500,000 *	11,976,779	523,221
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
10/10/18 B	1,135,105	17.619	$20000000	20,000,000-*	20,000,000	
ISSUE: MS2699325 - AON MID LOC						
10/10/18 S	1,669,911	11.977	0	20,000,000 *	19,180,850	819,150
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
11/08/18 B	717,340	17.425	$12500000	12,500,000-*	12,500,000	
ISSUE: MS6557024 - AGT US PASSIVE EQTY						
11/20/18 S	6,905	28.963	0	200,000	133,582	66,418
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
11/30/18 S	173,257	17.315	0	3,000,000	3,051,062	-51,062
ISSUE: MS2699325 - AON MID LOC						
11/30/18 S	1,050,856	11.895	0	12,500,000 *	12,070,289	429,711
ISSUE: MS2699325 - AON MID LOC						
11/30/18 B	170,522	11.729	2,000,000	2,000,000-	2,000,000	
ISSUE: MS6595602 - AGT US LNG FI ACT CR						
12/10/18 S	1,139,709	17.548	0	20,000,000 *	20,070,368	-70,368
ISSUE: MS2699325 - AON MID LOC						
12/10/18 B	1,625,510	11.689	$19000000	19,000,000-*	19,000,000	
SUB-TOTAL			$16615000	333,550,000	326,959,919	6,590,081
GRAND TOTAL			$16615000	333,550,000	326,959,919	6,590,081

F O O T N O T E S

* = SINGLE TRANSACTION IS 5% REPORTABLE
B = BUY TRANSACTION
S = SELL TRANSACTION
R = REINVESTMENT TRANSACTION

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
EIN: 36-2357423 PN: 001

Schedule SB, Part V—Summary of Plan Provisions

Office and McKinney

Final Average Pay Formula Effective Before December 31, 2014

Eligibility for Participation

All covered employees are eligible to participate on the first day of the month coincident with or next following completion of one year of eligibility service.

Normal Retirement

Eligibility

The first day of the month coincident with or next following the attainment of age 65.

Monthly Benefit

The greater of (1) and (2) below:

(1) The sum of (a) and (b) below, multiplied by years of projected benefit service at normal retirement age (maximum 40 years), reduced by (c) below, and then multiplied by a fraction, not exceeding one, equal to years of benefit service over projected benefit service at normal retirement age:

(a) 1.00% of average monthly compensation

(b) 0.25% of average monthly compensation up to $1,666.67

(c) 50% of primary Social Security benefit at age 65

(2) The applicable dollar rate, as in effect at the date of termination, multiplied by the number of years of benefit service at normal retirement:

Date of Termination	Applicable Dollar Rate
Office	
Prior to 5/1/1981	$11
On or After 5/1/1981 but Before 5/1/1982	$12
On or After 5/1/1982 but Before 1/1/1990	$13
On or After 1/1/1990	$18
McKinney	$18

Early Retirement

Eligibility

Age 55 and five years of vesting service.

Benefit Reduction for Early Payment

Accrued benefit reduced actuarially for each month by which payments precede normal retirement age.

Disability Retirement	
Eligibility	Five years of vesting service.
Benefit	Unreduced accrued benefit, payable immediately.
Preretirement Surviving Spouse Benefit	
Eligibility	All vested participants.
Benefit	50% of an employee's accrued benefit, reduced for early retirement and the 50% joint and survivor option, payable to a surviving spouse commencing on the later of (a) the date the participant would have attained age 55, or (b) the date of death.
Vested Termination Benefits	
Eligibility	Five years of vesting service. Vested terminations on or after January 1, 2015 may receive entire benefit upon termination.
Benefit	Accrued benefit payable at normal retirement age, or payable at early retirement age with reductions as for early retirement, or at vested termination with actuarial reductions.

Effective December 31, 2014, the accrued benefits under the Final Average Pay Program were frozen, and the above formula was replaced by the frozen benefit amount at age 65. As of January 1, 2015, the new cash balance formula is effective for future accruals.

Cash Balance Formula Effective After January 1, 2015

Eligibility for Participation

All covered employees are eligible to participate on the first day of the month coincident with or next following completion of one year of eligibility service.

Normal Retirement

Eligibility

The first day of the month coincident with or next following the attainment of age 65.

Monthly Benefit

Cash Balance

Service	Contribution
0–4	4.0%
5–9	4.5%
10–14	5.0%
15–19	5.5%
20–24	6.0%
25+	6.5%

Pay credits provided annually at end of year, or at date of termination (if earlier).

Thirty year Treasury rates interest, credited annually.

Cash balance account payable as a lump sum, or equivalent annuity based on 417(e).

Early Retirement

Eligibility

Age 55 with three or more years of vesting service.

Benefit Reduction for Early Payment

Same as normal retirement benefit.

Disability Retirement

Eligibility

Permanent and total disability with three years of service.

Benefit

Accruals end at date of disability.

Interest credits continue until the balance is distributed.

Preretirement Surviving Spouse Benefit	
Eligibility	All vested participants who have not yet begun receiving benefit payments.
Benefit	Same as normal retirement benefit, except that the form of payment is a lump sum or a single life annuity (for a spouse beneficiary). Interest credits continue until the balance is distributed.
Vested Termination Benefits	
Eligibility	Three years of vesting service. May receive entire benefit upon vested termination.
Benefit	Account balance at termination plus interest until date of distribution.

Factory

Eligibility for Participation

All employees covered by a collective bargaining agreement with District Lodge No. 102 of the IAM are eligible to participate on the first day of the month coincident with or next following completion of the probationary period.

Normal Retirement

Eligibility

The first day of the month coincident with or next following the attainment of age 65.

Monthly Benefit

The sum of (1) and (2) below:

(1) The applicable dollar rate, as in effect at the date of termination, multiplied by the number of years of benefit service at the date of termination or December 31, 2003, if earlier:

Date of Termination	Applicable Dollar Rate
On or After 5/1/1979 but Prior to 5/1/1980	$10
On or After 5/1/1980 but Prior to 5/1/1981	$11
On or After 5/1/1981 but Prior to 5/1/1982	$12
On or After 5/1/1982 but Prior to 4/16/1989	$13
On or After 4/16/1989 but Prior to 4/16/1990	$14
On or After 4/16/1990 but Prior to 4/16/1991 (effective retroactive for retirements occurring on or After 4/16/1989)	$16
On or After 4/16/1991 but Prior to 4/16/1992 (effective retroactive for retirements occurring on or After 4/16/989)	$18
On or After 4/16/1992 but Prior to 4/16/1993	$19
On or After 4/16/1993 but Prior to 4/16/1994	$20
On or After 4/16/1994 but Prior to 4/16/1995	$21
On or After 4/16/1995 but Prior to 4/16/1996	$22
On or After 4/16/1996 but Prior to 4/16/1997	$23
On or After 4/16/1997 but Prior to 11/1/2002	$24
On or After 11/1/2002	$25

(2) The sum of the applicable dollar rate multiplied by years of benefit service earned in each service period for service after December 31, 2003:

Service Period	Applicable Dollar Rate
On or After 1/1/2004 but Prior to 1/1/2008	$26
On or After 1/1/2008 but Prior to 1/1/2009	$27
On or After 1/1/2009 but Prior to 1/1/2010	$28
On or After 1/1/2010 but Prior to 1/1/2016	$29
On or After 1/1/2016 but Prior to 1/1/2017	$30
On or After 1/1/2017 but Prior to 1/1/2018	$31
On or After 1/1/2018	$32

Early Retirement

Eligibility	Age 55.
Benefit Reduction for Early Payment	Accrued benefit reduced actuarially for each month by which payments precede normal retirement age.

Disability Retirement

Eligibility	Five years of vesting service.
Benefit	Unreduced accrued benefit, payable immediately.

Preretirement Surviving Spouse Benefit

Eligibility	All vested participants.
Benefit	50% of an employee's accrued benefit, reduced for early retirement and the 50% joint and survivor option, payable to a surviving spouse commencing on the later of (a) the date the participant would have attained age 55, or (b) the date of death.

Vested Termination Benefits

Eligibility	Five years of vesting service.
Benefit	Accrued benefit payable at normal retirement age, or payable at early retirement age with reductions as for early retirement.

Definitions

Effective Date	Amended and restated December 31, 2014. Most recent amendment adopted and effective January 1, 2016.
Eligibility Service	One year of eligibility service is earned for each period during which six months are worked by a full-time employee (1,000 or more hours if part-time employee).
Benefit Service	One year of benefit service is earned for each year in which 1,000 or more hours are worked.
Vesting Service	One year of vesting service is earned for each year in which 1,000 or more hours are worked. In the year of termination, one year is credited if the participant works at least six months during that plan year.
Compensation	Base salary plus overtime and bonuses but excluding income from the Incentive Stock Participation Plan and other amounts includible in a participant's gross income.
Average Monthly Compensation	The average monthly compensation for the highest five consecutive calendar years during the last ten years of service preceding termination of employment.
Normal Form of Benefit	Life annuity or an actuarially equivalent 50% joint and survivor annuity if the participant is married at the date of his retirement.
Optional Payment Forms	Life annuity, 50% joint and survivor annuity, 66⅔% joint and survivor annuity, 75% joint and survivor annuity, and 100% joint and survivor annuity. Large amount lump sum option on entire benefit amount for Office and McKinney employees.
Payment of Small Amounts	Non-elective lump sum payment if the actuarial equivalent single sum of the benefit does not exceed $5,000.

Actuarial Equivalent	For lump sum calculations, the mortality table prescribed in Revenue Ruling 2001-62 and the annual interest rate on 30-year Treasury securities for the month of October preceding the first day of the plan year in which the distribution occurs. For early retirement reductions, factors in Table I of the plan document. For joint and survivor annuities, factors in Table II of the plan document. For all other cases, the 2018 417(e) mortality table with 70% male weighting and 4% interest rate.
Plan Year	Calendar year.

Plan Changes Since the Prior Year

The funding valuation reflects the following plan changes:

- A change in the mortality basis for lump sum payments from the 2017 plan year IRC section 417(e)(3) mortality table to the 2018 plan year IRC section 417(e)(3) mortality table.
- The actuarial equivalence definition for optional form factors change from UP-1984 with 7% interest to the 2018 417(e) table with 70% male weighting and a 4% interest rate.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
EIN: 36-2357423 PN: 001

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

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of September 2017), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
1st Segment Rate	3.92%
2nd Segment Rate	5.52%
3rd Segment Rate	6.29%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2017), without regard to interest rate stabilization
1st Segment Rate	1.75%
2nd Segment Rate	3.76%
3rd Segment Rate	4.66%
Salary Increases	
Minimum Funding Target Normal Cost	4.0%
Maximum Tax Expected Benefit Increase	4.0%
Cash Balance Interest Crediting Rate	3.5%
Cash Balance Annuity Conversion Rate	Same as funding interest rates above
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 3.5% per year.
Optional Payment Form Election Percentage	Office and McKinney 50% elect a lumpsum 35% elect single life annuity 9% elect a 50% joint and survivor annuity 5% elect a 100% joint and survivor annuity 1% elect a 66-2/3% joint and survivor annuity Factory 70% elect single life annuity 18% elect a 50% joint and survivor annuity 10% elect a 100% joint and survivor annuity 2% elect a 66-2/3% joint and survivor annuity
Optional Payment Form Conversion Interest Rate	Same as funding interest rates above for lump sums and actuarial equivalence for annuity payment forms.

Optional Payment Form Conversion Mortality	Current IRC section 417(e) table for lump sums and actuarial equivalence for annuity payment forms.
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	Age 62
Mortality Rates	
Healthy and Disabled	2018 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e) determined using the regulations in effect prior to 2018, as allowed by IRS Notice 2017-60
Withdrawal Rates	See Table 2
Disability Rates	See Table 3
Decrement Timing	Middle of year decrements (except that retirement is assumed to occur at the beginning of the year for ages where the assumed retirement rate is 100%)
Surviving Spouse Benefit	It is assumed that 85% of males and 85% of females have an eligible spouse, and that males are three years older than their spouses.
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of $220,000 and the IRC section 401(a)(17) compensation limit of $275,000.
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value. A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).

Expected Return on Assets	
2016 Plan Year	6.65% (third segment rate for 2016)
2017 Plan Year	6.48% (third segment rate for 2017)
2018 Plan Year	6.29% (third segment rate for 2018)
Trust Expenses Included in Target Normal Cost	$862,000. Based on expected plan administrative expenses plus PBGC premium, rounded to the nearest $1,000
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2018

Table 1

Retirement Rates

Age	Rate
55	10.00%
56	10.00%
57	10.00%
58	10.00%
59	10.00%
60	10.00%
61	10.00%
62	15.00%
63	15.00%
64	15.00%
65	25.00%
66	25.00%
67	25.00%
68	25.00%
69	25.00%
70+	100.00%

Table 2—Page 1 of 2

Withdrawal Rates

	Years of Service				
Age	**0–1**	**2**	**3**	**4**	**5+**
15	30.00%	25.00%	20.00%	15.00%	35.50%
16	30.00%	25.00%	20.00%	15.00%	35.50%
17	30.00%	25.00%	20.00%	15.00%	35.50%
18	30.00%	25.00%	20.00%	15.00%	35.50%
19	30.00%	25.00%	20.00%	15.00%	35.50%
20	30.00%	25.00%	20.00%	15.00%	35.50%
21	30.00%	25.00%	20.00%	15.00%	35.50%
22	30.00%	25.00%	20.00%	15.00%	33.50%
23	30.00%	25.00%	20.00%	15.00%	31.70%
24	30.00%	25.00%	20.00%	15.00%	29.90%
25	30.00%	25.00%	20.00%	15.00%	28.10%
26	30.00%	25.00%	20.00%	15.00%	26.40%
27	30.00%	25.00%	20.00%	15.00%	24.80%
28	30.00%	25.00%	20.00%	15.00%	23.20%
29	30.00%	25.00%	20.00%	15.00%	21.70%
30	30.00%	25.00%	20.00%	15.00%	20.30%
31	30.00%	25.00%	20.00%	15.00%	18.90%
32	30.00%	25.00%	20.00%	15.00%	17.50%
33	30.00%	25.00%	20.00%	15.00%	16.30%
34	30.00%	25.00%	20.00%	15.00%	15.10%
35	30.00%	25.00%	20.00%	15.00%	13.90%
36	30.00%	25.00%	20.00%	15.00%	12.80%
37	30.00%	25.00%	20.00%	15.00%	11.80%
38	30.00%	25.00%	20.00%	15.00%	10.80%
39	30.00%	25.00%	20.00%	15.00%	9.90%
40	30.00%	25.00%	20.00%	15.00%	9.00%
41	30.00%	25.00%	20.00%	15.00%	8.20%
42	30.00%	25.00%	20.00%	15.00%	7.50%
43	30.00%	25.00%	20.00%	15.00%	6.80%
44	30.00%	25.00%	20.00%	15.00%	6.20%

Table 2—Page 2 of 2

Withdrawal Rates

	Years of Service				
Age	**0–1**	**2**	**3**	**4**	**5+**
45	30.00%	25.00%	20.00%	15.00%	5.60%
46	30.00%	25.00%	20.00%	15.00%	5.10%
47	30.00%	25.00%	20.00%	15.00%	4.70%
48	30.00%	25.00%	20.00%	15.00%	4.30%
49	30.00%	25.00%	20.00%	15.00%	4.00%
50	30.00%	25.00%	20.00%	15.00%	3.70%
51	30.00%	25.00%	20.00%	15.00%	3.50%
52	30.00%	25.00%	20.00%	15.00%	3.40%
53	30.00%	25.00%	20.00%	15.00%	3.30%
54	30.00%	25.00%	20.00%	15.00%	3.30%
55	30.00%	25.00%	20.00%	15.00%	3.30%
56+	30.00%	25.00%	20.00%	15.00%	0.00%

Table 3

Disability Rates

Age	Rate	Age	Rate
20	0.050%	50	0.340%
21	0.050%	51	0.380%
22	0.050%	52	0.430%
23	0.050%	53	0.490%
24	0.050%	54	0.560%
25	0.060%	55	0.645%
26	0.060%	56	0.735%
27	0.060%	57	0.830%
28	0.065%	58	0.930%
29	0.065%	59	1.030%
30	0.065%	60	1.130%
31	0.070%	61	1.240%
32	0.070%	62	1.370%
33	0.080%	63	1.515%
34	0.085%	64	1.680%
35	0.090%	65+	0.000%
36	0.100%		
37	0.105%		
38	0.110%		
39	0.120%		
40	0.130%		
41	0.145%		
42	0.155%		
43	0.170%		
44	0.180%		
45	0.200%		
46	0.220%		
47	0.250%		
48	0.275%		
49	0.315%		

Plan Name	**KONE Inc. Employees' Retirement Plan**
Plan Sponsor EIN	**36-2357423**
ERISA Plan #	**001**
Plan Year Ending	**December 31, 2018**

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

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

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
EIN: 36-2357423 PN: 001

Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55.5	10.00%	1.0000	5.55
56.5	10.00%	0.9000	5.09
57.5	10.00%	0.8100	4.66
58.5	10.00%	0.7290	4.26
59.5	10.00%	0.6561	3.90
60.5	10.00%	0.5905	3.57
61.5	10.00%	0.5314	3.27
62.5	15.00%	0.4783	4.48
63.5	15.00%	0.4066	3.87
64.5	15.00%	0.3456	3.34
65.5	25.00%	0.2937	4.81
66.5	25.00%	0.2203	3.66
67.5	25.00%	0.1652	2.79
68.5	25.00%	0.1239	2.12
69.5	25.00%	0.0929	1.61
70	100.00%	0.0697	4.88
		Weighted Average	61.86

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
EIN: 36-2357423 PN: 001

Schedule SB, line 24—Change in Actuarial Assumptions

The January 1, 2018 funding valuation reflects the following non-prescribed assumption change:

- A change in the assumed expenses payable from the trust from $434,000 to $862,000, based on expected plan administrative expenses plus PBGC premium, rounded to the nearest $1,000.

This change was made to better reflect anticipated plan experience. This assumption change did not reduce the funding shortfall by more than the thresholds stated in Internal Revenue Code Section 430(h)(5); as such, approval of the Commissioner is not required.

Plan Name	**KONE Inc. Employees' Retirement Plan**
Plan Sponsor EIN	**36-2357423**
ERISA Plan #	**001**
Plan Year Ending	**December 31, 2018**

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

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

Plan Name	**KONE Inc. Employees' Retirement Plan**
Plan Sponsor EIN	**36-2357423**
ERISA Plan #	**001**
Plan Year Ending	**December 31, 2018**

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

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

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
EIN: 36-2357423 PN: 001

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2018

Date	Amount	Days to Discount to 1/1/2018 at 5.77%	Interest Adjusted Contribution
April 12, 2019	$ 2,326,625	466	$ 2,165,821
July 12, 2019	2,326,625	557	2,135,741
September 12, 2019	3,682,000	619	3,347,863
Total Contribution	$ 8,335,250		$ 7,649,425

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
EIN: 36-2357423 PN: 001

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2018

Number of Participants, Average Compensation and Average Cash Balance Account

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25		25 $72,699 $4,135								
25-29		100 $77,189 $6,125	5							
30-34		128 $83,715 $6,766	33 $117,216 $14,012	25 $122,518 $16,664	1					
35-39		96 $96,437 $7,794	41 $110,608 $12,615	23 $120,871 $15,862	19	1				
40-44		78 $104,619 $8,597	39 $138,289 $16,219	28 $103,039 $13,411	37 $134,993 $18,859	15	1			
45-49	2	95 $103,220 $9,110	30 $125,831 $15,537	26 $129,604 $17,490	32 $106,161 $15,373	35 $164,226 $27,388	12			
50-54	2	72 $110,055 $10,170	33 $134,110 $17,122	36 $128,638 $17,275	27 $94,863 $11,692	16	24 $161,560 $28,780	16		
55-59		61 $117,301 $10,342	31 $131,192 $16,340	26 $131,821 $16,945	29 $107,149 $16,545	13	8	25 $144,981 $25,734	25 $138,489 $23,323	3
60-64		29 $94,554 $8,509	16	22 $109,896 $14,653	13	13	7	12	20 $108,498 $17,338	12
65-69		5	5	8	5	11	1	7	3	4
70+		1	1		1	1	1			

N-1,572

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2018

This Form is Open to Public Inspection

Part I Annual Report Identification Information

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

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
KONE INC. EMPLOYEES' RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 05/18/1962

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)
KONE INC.

4225 NAPERVILLE ROAD, SUITE 400

LISLE IL 60532

2b Employer Identification Number (EIN) 36-2357423

2c Plan Sponsor's telephone number (630)955-4225

2d Business code (see instructions) 333900

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	Signature of plan administrator	Date 10/3/19	RANGARAJAN I. KRISHNAMURTHY Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date 10/3/19	RANGARAJAN I. KRISHNAMURTHY Enter name of individual signing as employer or plan sponsor
SIGN HERE	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☒ Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b** EIN **4d** PN	
5 Total number of participants at the beginning of the plan year	**5**	3,197
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	1,572
a(2) Total number of active participants at the end of the plan year	**6a(2)**	1,574
b Retired or separated participants receiving benefits	**6b**	824
c Other retired or separated participants entitled to future benefits	**6c**	716
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	3,114
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	151
f Total. Add lines **6d** and **6e**.	**6f**	3,265
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	49
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

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

1A 1B 3H 1C 2I

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

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

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
KONE Inc. Employees' Retirement Plan

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
36-2357423

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2018

2 Assets:

a Market value	**2a**	159,661,671
b Actuarial value	**2b**	151,968,592

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	941	48,445,176	48,445,176
b For terminated vested participants	684	19,606,612	19,606,612
c For active participants	1,572	56,844,382	59,313,312
d Total	3,197	124,896,170	127,365,100

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**	5.77%
6 Target normal cost	**6**	6,478,561

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 ALAN D. DANG ADD — 09/23/2019

Signature of actuary — Date

ALAN D. DANG — 1707076

Type or print name of actuary — Most recent enrollment number

AON CONSULTING, INC. — 847-295-5000

Firm name — Telephone number (including area code)

4 OVERLOOK POINT

LINCOLNSHIRE IL 60069

Address of the firm

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	7,610,622
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	7,610,622
10	Interest on line 9 using prior year's actual return of 14.80%	0	1,126,372
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		7,591,326
	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 5.96%		452,443
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		8,043,769
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	8,736,994

Part III Funding Percentages

14	Funding target attainment percentage	14	112.45%
15	Adjusted funding target attainment percentage	15	119.31%
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	116.13%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/12/2019	2,326,625	0			
07/12/2019	2,326,625	0			
09/12/2019	3,682,000	0			
			Totals ► 18(b)	8,335,250	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	7,649,425

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [ ] Yes [X] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [ ] Yes [ ] No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

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

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

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
3.92 %	5.52 %	6.29%	

b Applicable month (enter code)	21b	4
22 Weighted average retirement age	22	62

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	6,478,561
b Excess assets, if applicable, but not greater than line 31a	31b	6,478,561

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0

36 Additional cash requirement (line 34 minus line 35)	36	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	7,649,425
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	38a	7,649,425
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40 Unpaid minimum required contributions for all years	40	0

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

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
EIN: 36-2357423 PN: 001

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2018

Date	Amount	Days to Discount to 1/1/2018 at 5.77%	Interest Adjusted Contribution
April 12, 2019	$ 2,326,625	466	$ 2,165,821
July 12, 2019	2,326,625	557	2,135,741
September 12, 2019	3,682,000	619	3,347,863
Total Contribution	$ 8,335,250		$ 7,649,425

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
EIN: 36-2357423 PN: 001

Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55.5	10.00%	1.0000	5.55
56.5	10.00%	0.9000	5.09
57.5	10.00%	0.8100	4.66
58.5	10.00%	0.7290	4.26
59.5	10.00%	0.6561	3.90
60.5	10.00%	0.5905	3.57
61.5	10.00%	0.5314	3.27
62.5	15.00%	0.4783	4.48
63.5	15.00%	0.4066	3.87
64.5	15.00%	0.3456	3.34
65.5	25.00%	0.2937	4.81
66.5	25.00%	0.2203	3.66
67.5	25.00%	0.1652	2.79
68.5	25.00%	0.1239	2.12
69.5	25.00%	0.0929	1.61
70	100.00%	0.0697	4.88
		Weighted Average	61.86

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
EIN: 36-2357423 PN: 001

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

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of September 2017), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
1st Segment Rate	3.92%
2nd Segment Rate	5.52%
3rd Segment Rate	6.29%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2017), without regard to interest rate stabilization
1st Segment Rate	1.75%
2nd Segment Rate	3.76%
3rd Segment Rate	4.66%
Salary Increases	
Minimum Funding Target Normal Cost	4.0%
Maximum Tax Expected Benefit Increase	4.0%
Cash Balance Interest Crediting Rate	3.5%
Cash Balance Annuity Conversion Rate	Same as funding interest rates above
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 3.5% per year.
Optional Payment Form Election Percentage	Office and McKinney 50% elect a lumpsum 35% elect single life annuity 9% elect a 50% joint and survivor annuity 5% elect a 100% joint and survivor annuity 1% elect a 66-2/3% joint and survivor annuity Factory 70% elect single life annuity 18% elect a 50% joint and survivor annuity 10% elect a 100% joint and survivor annuity 2% elect a 66-2/3% joint and survivor annuity
Optional Payment Form Conversion Interest Rate	Same as funding interest rates above for lump sums and actuarial equivalence for annuity payment forms.

Optional Payment Form Conversion Mortality	Current IRC section 417(e) table for lump sums and actuarial equivalence for annuity payment forms.
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	Age 62
Mortality Rates	
Healthy and Disabled	2018 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e) determined using the regulations in effect prior to 2018, as allowed by IRS Notice 2017-60
Withdrawal Rates	See Table 2
Disability Rates	See Table 3
Decrement Timing	Middle of year decrements (except that retirement is assumed to occur at the beginning of the year for ages where the assumed retirement rate is 100%)
Surviving Spouse Benefit	It is assumed that 85% of males and 85% of females have an eligible spouse, and that males are three years older than their spouses.
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of $220,000 and the IRC section 401(a)(17) compensation limit of $275,000.
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value. A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).

Expected Return on Assets	
2016 Plan Year	6.65% (third segment rate for 2016)
2017 Plan Year	6.48% (third segment rate for 2017)
2018 Plan Year	6.29% (third segment rate for 2018)
Trust Expenses Included in Target Normal Cost	$862,000. Based on expected plan administrative expenses plus PBGC premium, rounded to the nearest $1,000
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2018

Table 1

Retirement Rates

Age	Rate
55	10.00%
56	10.00%
57	10.00%
58	10.00%
59	10.00%
60	10.00%
61	10.00%
62	15.00%
63	15.00%
64	15.00%
65	25.00%
66	25.00%
67	25.00%
68	25.00%
69	25.00%
70+	100.00%

Table 2—Page 1 of 2

Withdrawal Rates

	Years of Service				
Age	**0–1**	**2**	**3**	**4**	**5+**
15	30.00%	25.00%	20.00%	15.00%	35.50%
16	30.00%	25.00%	20.00%	15.00%	35.50%
17	30.00%	25.00%	20.00%	15.00%	35.50%
18	30.00%	25.00%	20.00%	15.00%	35.50%
19	30.00%	25.00%	20.00%	15.00%	35.50%
20	30.00%	25.00%	20.00%	15.00%	35.50%
21	30.00%	25.00%	20.00%	15.00%	35.50%
22	30.00%	25.00%	20.00%	15.00%	33.50%
23	30.00%	25.00%	20.00%	15.00%	31.70%
24	30.00%	25.00%	20.00%	15.00%	29.90%
25	30.00%	25.00%	20.00%	15.00%	28.10%
26	30.00%	25.00%	20.00%	15.00%	26.40%
27	30.00%	25.00%	20.00%	15.00%	24.80%
28	30.00%	25.00%	20.00%	15.00%	23.20%
29	30.00%	25.00%	20.00%	15.00%	21.70%
30	30.00%	25.00%	20.00%	15.00%	20.30%
31	30.00%	25.00%	20.00%	15.00%	18.90%
32	30.00%	25.00%	20.00%	15.00%	17.50%
33	30.00%	25.00%	20.00%	15.00%	16.30%
34	30.00%	25.00%	20.00%	15.00%	15.10%
35	30.00%	25.00%	20.00%	15.00%	13.90%
36	30.00%	25.00%	20.00%	15.00%	12.80%
37	30.00%	25.00%	20.00%	15.00%	11.80%
38	30.00%	25.00%	20.00%	15.00%	10.80%
39	30.00%	25.00%	20.00%	15.00%	9.90%
40	30.00%	25.00%	20.00%	15.00%	9.00%
41	30.00%	25.00%	20.00%	15.00%	8.20%
42	30.00%	25.00%	20.00%	15.00%	7.50%
43	30.00%	25.00%	20.00%	15.00%	6.80%
44	30.00%	25.00%	20.00%	15.00%	6.20%

Table 2—Page 2 of 2

Withdrawal Rates

	Years of Service				
Age	**0–1**	**2**	**3**	**4**	**5+**
45	30.00%	25.00%	20.00%	15.00%	5.60%
46	30.00%	25.00%	20.00%	15.00%	5.10%
47	30.00%	25.00%	20.00%	15.00%	4.70%
48	30.00%	25.00%	20.00%	15.00%	4.30%
49	30.00%	25.00%	20.00%	15.00%	4.00%
50	30.00%	25.00%	20.00%	15.00%	3.70%
51	30.00%	25.00%	20.00%	15.00%	3.50%
52	30.00%	25.00%	20.00%	15.00%	3.40%
53	30.00%	25.00%	20.00%	15.00%	3.30%
54	30.00%	25.00%	20.00%	15.00%	3.30%
55	30.00%	25.00%	20.00%	15.00%	3.30%
56+	30.00%	25.00%	20.00%	15.00%	0.00%

Table 3

Disability Rates

Age	Rate	Age	Rate
20	0.050%	50	0.340%
21	0.050%	51	0.380%
22	0.050%	52	0.430%
23	0.050%	53	0.490%
24	0.050%	54	0.560%
25	0.060%	55	0.645%
26	0.060%	56	0.735%
27	0.060%	57	0.830%
28	0.065%	58	0.930%
29	0.065%	59	1.030%
30	0.065%	60	1.130%
31	0.070%	61	1.240%
32	0.070%	62	1.370%
33	0.080%	63	1.515%
34	0.085%	64	1.680%
35	0.090%	65+	0.000%
36	0.100%		
37	0.105%		
38	0.110%		
39	0.120%		
40	0.130%		
41	0.145%		
42	0.155%		
43	0.170%		
44	0.180%		
45	0.200%		
46	0.220%		
47	0.250%		
48	0.275%		
49	0.315%		

Schedule SB Attachment (Form 5500)—2018 Plan Year
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Schedule SB, Part V—Summary of Plan Provisions

Office and McKinney

Final Average Pay Formula Effective Before December 31, 2014

Eligibility for Participation

All covered employees are eligible to participate on the first day of the month coincident with or next following completion of one year of eligibility service.

Normal Retirement

Eligibility

The first day of the month coincident with or next following the attainment of age 65.

Monthly Benefit

The greater of (1) and (2) below:

(1) The sum of (a) and (b) below, multiplied by years of projected benefit service at normal retirement age (maximum 40 years), reduced by (c) below, and then multiplied by a fraction, not exceeding one, equal to years of benefit service over projected benefit service at normal retirement age:

(a) 1.00% of average monthly compensation

(b) 0.25% of average monthly compensation up to $1,666.67

(c) 50% of primary Social Security benefit at age 65

(2) The applicable dollar rate, as in effect at the date of termination, multiplied by the number of years of benefit service at normal retirement:

Date of Termination	Applicable Dollar Rate
Office	
Prior to 5/1/1981	$11
On or After 5/1/1981 but Before 5/1/1982	$12
On or After 5/1/1982 but Before 1/1/1990	$13
On or After 1/1/1990	$18
McKinney	$18

Early Retirement

Eligibility

Age 55 and five years of vesting service.

Benefit Reduction for Early Payment

Accrued benefit reduced actuarially for each month by which payments precede normal retirement age.

Disability Retirement	
Eligibility	Five years of vesting service.
Benefit	Unreduced accrued benefit, payable immediately.
Preretirement Surviving Spouse Benefit	
Eligibility	All vested participants.
Benefit	50% of an employee's accrued benefit, reduced for early retirement and the 50% joint and survivor option, payable to a surviving spouse commencing on the later of (a) the date the participant would have attained age 55, or (b) the date of death.
Vested Termination Benefits	
Eligibility	Five years of vesting service. Vested terminations on or after January 1, 2015 may receive entire benefit upon termination.
Benefit	Accrued benefit payable at normal retirement age, or payable at early retirement age with reductions as for early retirement, or at vested termination with actuarial reductions.

Effective December 31, 2014, the accrued benefits under the Final Average Pay Program were frozen, and the above formula was replaced by the frozen benefit amount at age 65. As of January 1, 2015, the new cash balance formula is effective for future accruals.

Cash Balance Formula Effective After January 1, 2015

Eligibility for Participation

All covered employees are eligible to participate on the first day of the month coincident with or next following completion of one year of eligibility service.

Normal Retirement

Eligibility

The first day of the month coincident with or next following the attainment of age 65.

Monthly Benefit

Cash Balance

Service	Contribution
0–4	4.0%
5–9	4.5%
10–14	5.0%
15–19	5.5%
20–24	6.0%
25+	6.5%

Pay credits provided annually at end of year, or at date of termination (if earlier).

Thirty year Treasury rates interest, credited annually.

Cash balance account payable as a lump sum, or equivalent annuity based on 417(e).

Early Retirement

Eligibility

Age 55 with three or more years of vesting service.

Benefit Reduction for Early Payment

Same as normal retirement benefit.

Disability Retirement

Eligibility

Permanent and total disability with three years of service.

Benefit

Accruals end at date of disability.

Interest credits continue until the balance is distributed.

Preretirement Surviving Spouse Benefit	
Eligibility	All vested participants who have not yet begun receiving benefit payments.
Benefit	Same as normal retirement benefit, except that the form of payment is a lump sum or a single life annuity (for a spouse beneficiary). Interest credits continue until the balance is distributed.
Vested Termination Benefits	
Eligibility	Three years of vesting service. May receive entire benefit upon vested termination.
Benefit	Account balance at termination plus interest until date of distribution.

Factory

Eligibility for Participation

All employees covered by a collective bargaining agreement with District Lodge No. 102 of the IAM are eligible to participate on the first day of the month coincident with or next following completion of the probationary period.

Normal Retirement

Eligibility

The first day of the month coincident with or next following the attainment of age 65.

Monthly Benefit

The sum of (1) and (2) below:

(1) The applicable dollar rate, as in effect at the date of termination, multiplied by the number of years of benefit service at the date of termination or December 31, 2003, if earlier:

Date of Termination	Applicable Dollar Rate
On or After 5/1/1979 but Prior to 5/1/1980	$10
On or After 5/1/1980 but Prior to 5/1/1981	$11
On or After 5/1/1981 but Prior to 5/1/1982	$12
On or After 5/1/1982 but Prior to 4/16/1989	$13
On or After 4/16/1989 but Prior to 4/16/1990	$14
On or After 4/16/1990 but Prior to 4/16/1991 (effective retroactive for retirements occurring on or After 4/16/1989)	$16
On or After 4/16/1991 but Prior to 4/16/1992 (effective retroactive for retirements occurring on or After 4/16/989)	$18
On or After 4/16/1992 but Prior to 4/16/1993	$19
On or After 4/16/1993 but Prior to 4/16/1994	$20
On or After 4/16/1994 but Prior to 4/16/1995	$21
On or After 4/16/1995 but Prior to 4/16/1996	$22
On or After 4/16/1996 but Prior to 4/16/1997	$23
On or After 4/16/1997 but Prior to 11/1/2002	$24
On or After 11/1/2002	$25

(2) The sum of the applicable dollar rate multiplied by years of benefit service earned in each service period for service after December 31, 2003:

Service Period	Applicable Dollar Rate
On or After 1/1/2004 but Prior to 1/1/2008	$26
On or After 1/1/2008 but Prior to 1/1/2009	$27
On or After 1/1/2009 but Prior to 1/1/2010	$28
On or After 1/1/2010 but Prior to 1/1/2016	$29
On or After 1/1/2016 but Prior to 1/1/2017	$30
On or After 1/1/2017 but Prior to 1/1/2018	$31
On or After 1/1/2018	$32

Early Retirement

Eligibility	Age 55.
Benefit Reduction for Early Payment	Accrued benefit reduced actuarially for each month by which payments precede normal retirement age.

Disability Retirement

Eligibility	Five years of vesting service.
Benefit	Unreduced accrued benefit, payable immediately.

Preretirement Surviving Spouse Benefit

Eligibility	All vested participants.
Benefit	50% of an employee's accrued benefit, reduced for early retirement and the 50% joint and survivor option, payable to a surviving spouse commencing on the later of (a) the date the participant would have attained age 55, or (b) the date of death.

Vested Termination Benefits

Eligibility	Five years of vesting service.
Benefit	Accrued benefit payable at normal retirement age, or payable at early retirement age with reductions as for early retirement.

Definitions

Effective Date	Amended and restated December 31, 2014. Most recent amendment adopted and effective January 1, 2016.
Eligibility Service	One year of eligibility service is earned for each period during which six months are worked by a full-time employee (1,000 or more hours if part-time employee).
Benefit Service	One year of benefit service is earned for each year in which 1,000 or more hours are worked.
Vesting Service	One year of vesting service is earned for each year in which 1,000 or more hours are worked. In the year of termination, one year is credited if the participant works at least six months during that plan year.
Compensation	Base salary plus overtime and bonuses but excluding income from the Incentive Stock Participation Plan and other amounts includible in a participant's gross income.
Average Monthly Compensation	The average monthly compensation for the highest five consecutive calendar years during the last ten years of service preceding termination of employment.
Normal Form of Benefit	Life annuity or an actuarially equivalent 50% joint and survivor annuity if the participant is married at the date of his retirement.
Optional Payment Forms	Life annuity, 50% joint and survivor annuity, 66⅔% joint and survivor annuity, 75% joint and survivor annuity, and 100% joint and survivor annuity. Large amount lump sum option on entire benefit amount for Office and McKinney employees.
Payment of Small Amounts	Non-elective lump sum payment if the actuarial equivalent single sum of the benefit does not exceed $5,000.

Actuarial Equivalent	For lump sum calculations, the mortality table prescribed in Revenue Ruling 2001-62 and the annual interest rate on 30-year Treasury securities for the month of October preceding the first day of the plan year in which the distribution occurs. For early retirement reductions, factors in Table I of the plan document. For joint and survivor annuities, factors in Table II of the plan document. For all other cases, the 2018 417(e) mortality table with 70% male weighting and 4% interest rate.
Plan Year	Calendar year.

Plan Changes Since the Prior Year

The funding valuation reflects the following plan changes:

- A change in the mortality basis for lump sum payments from the 2017 plan year IRC section 417(e)(3) mortality table to the 2018 plan year IRC section 417(e)(3) mortality table.
- The actuarial equivalence definition for optional form factors change from UP-1984 with 7% interest to the 2018 417(e) table with 70% male weighting and a 4% interest rate.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
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Schedule SB, line 24—Change in Actuarial Assumptions

The January 1, 2018 funding valuation reflects the following non-prescribed assumption change:

- A change in the assumed expenses payable from the trust from $434,000 to $862,000, based on expected plan administrative expenses plus PBGC premium, rounded to the nearest $1,000.

This change was made to better reflect anticipated plan experience. This assumption change did not reduce the funding shortfall by more than the thresholds stated in Internal Revenue Code Section 430(h)(5); as such, approval of the Commissioner is not required.

Schedule SB Attachment (Form 5500)—2018 Plan Year
KONE Inc. Employees' Retirement Plan
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Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2018

Number of Participants, Average Compensation and Average Cash Balance Account

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25		25 $72,699 $4,135								
25-29		100 $77,189 $6,125	5							
30-34		128 $83,715 $6,766	33 $117,216 $14,012	25 $122,518 $16,664	1					
35-39		96 $96,437 $7,794	41 $110,608 $12,615	23 $120,871 $15,862	19	1				
40-44		78 $104,619 $8,597	39 $138,289 $16,219	28 $103,039 $13,411	37 $134,993 $18,859	15	1			
45-49	2	95 $103,220 $9,110	30 $125,831 $15,537	26 $129,604 $17,490	32 $106,161 $15,373	35 $164,226 $27,388	12			
50-54	2	72 $110,055 $10,170	33 $134,110 $17,122	36 $128,638 $17,275	27 $94,863 $11,692	16	24 $161,560 $28,780	16		
55-59		61 $117,301 $10,342	31 $131,192 $16,340	26 $131,821 $16,945	29 $107,149 $16,545	13	8	25 $144,981 $25,734	25 $138,489 $23,323	3
60-64		29 $94,554 $8,509	16	22 $109,896 $14,653	13	13	7	12	20 $108,498 $17,338	12
65-69		5	5	8	5	11	1	7	3	4
70+		1	1		1	1	1			

N-1,572