

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
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Part I	Annual Report Identification Information		
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan ☐ a DFE (specify) ____		
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ☒		
D	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ special extension (enter description)	☐ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>NELSON FASTENER SYSTEMS 401(K) PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>001</u>
		1c	Effective date of plan <u>01/01/2017</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>NELSON STUD WELDING, INC.</u> <u>7900 W. RIDGE RD</u> <u>ELYRIA, OH 44035</u>	2b	Employer Identification Number (EIN) <u>52-2213124</u>
		2c	Plan Sponsor's telephone number <u>440-329-0400</u>
		2d	Business code (see instructions) <u>336300</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/09/2019	TRACI KNECHTGES
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
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	5 655
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 551 6a(2) 536 6b 0 6c 98 6d 634 6e 3 6f 637 6g 540 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2R 2S 2T 3D 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

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

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ 0 **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

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

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		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 NELSON FASTENER SYSTEMS 401(K) PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 NELSON STUD WELDING, INC.	D Employer Identification Number (EIN) 52-2213124	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
CHARLES SCHWAB & CO. INC. AND AFFIL
94-1737782

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

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

COHN REZNICK LLP

22-1478099

(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	26550	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

REID AND RIEGE P.C

06-0867204

(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?
29 50	NONE	19888	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

SCHWAB RETIREMENT PLAN SERVICES, INC

34-1479833

(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?
15 50 64	NONE	13439	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

SHEPHERD KAPLAN LLC

83-0368447

(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?
28 50	NONE	5625	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CHARLES SCHWAB & CO., INC.

94-1737782

(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?
33 50 59 62 71	NONE	0	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

CHARLES SCHWAB BANK

42-1558009

(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?
25 49 50 52 62	NONE	0	Yes ☒ No ☐	Yes ☒ No ☐	0	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
CHARLES SCHWAB & CO. INC. AND AFFIL	59	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
SEE ATTACHMENT 06-1349805	SEE ATTACHMENT	
(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
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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 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 NELSON FASTENER SYSTEMS 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 NELSON STUD WELDING, INC.	D Employer Identification Number (EIN) 52-2213124	

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)	30634	0
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	3790047	3397136
(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)	1126352	1050113
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(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)	42041912	30469396
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	158028	7883

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	47146973	34924528

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 through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	47146973	34924528
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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)	1057316	
(B) Participants	2a(1)(B)	2170254	
(C) Others (including rollovers)	2a(1)(C)	17608	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		3245178
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	237364	
(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)	58395	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		295759
(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)	2219904	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		2219904
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-4637690
c Other income.....	2c		9555
d Total income. Add all income amounts in column (b) and enter total	2d		1132706

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	11926434	
(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)		11926434
f Corrective distributions (see instructions)	2f		32570
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	46438	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	5625	
(4) Other	2i(4)	14364	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		66427
j Total expenses. Add all expense amounts in column (b) and enter total	2j		12025431

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-10892725
l Transfers of assets:			
(1) To this plan.....	2l(1)		22876
(2) From this plan.....	2l(2)		1352596

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: COHNREZNICK LLP

(2) EIN: 22-1478099

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		20000000
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)
DONCASTERS, INC. EMPLOYEE SAVINGS PLAN	13-3491053	001

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

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

A Name of plan <u>NELSON FASTENER SYSTEMS 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>NELSON STUD WELDING, INC.</u>	D Employer Identification Number (EIN) <u>52-2213124</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>42-1558009</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

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

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

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

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

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

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

Schedule R (Form 5500) 2018
v. 171027

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****14c**

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

a The corresponding number for the plan year immediately preceding the current plan year

b The corresponding number for the second preceding plan year

15a**15b**

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

a Enter the number of employers who withdrew during the preceding plan year

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers

16a**16b**

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

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

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

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

- a** Enter the percentage of plan assets held as:

Stock: _____ % Investment-Grade Debt: _____ % High-Yield Debt: _____ % Real Estate: _____ % Other: _____ %

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

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

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

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

Nelson Fastener Systems 401(k) Plan

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

December 31, 2018

Nelson Fastener Systems 401(k) Plan

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Independent Auditor's Report

To the Plan Administrator
Nelson Fastener Systems 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Nelson Fastener Systems 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statement of changes in net assets available for benefits for the year ended December 31, 2018, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Charles Schwab Bank, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2018 and 2017, and for the year ended December 31, 2018, that the information provided to the Plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Emphasis of Matter

As further discussed in Notes 1 and 8 to the financial statements, the governing body of the Plan voted on October 26, 2018 to merge the Plan effective January 4, 2019. Our opinion is not modified with respect to this matter.

Other Matter

The supplemental Schedule of Assets (Held at End of Year) (Schedule H, Line 4i) as of December 31, 2018 is required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

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

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



Hartford, Connecticut
October 8, 2019

Nelson Fastener Systems 401(k) Plan

**Statements of Net Assets Available for Benefits
December 31, 2018 and 2017**

	<u>2018</u>	<u>2017</u>
Assets		
Investments, at fair value	<u>\$ 33,874,415</u>	<u>\$ 45,989,987</u>
Receivables		
Employer contributions	-	30,634
Notes receivable from participants	<u>1,050,113</u>	<u>1,126,352</u>
Total receivables	<u>1,050,113</u>	<u>1,156,986</u>
Net assets available for benefits	<u><u>\$ 34,924,528</u></u>	<u><u>\$ 47,146,973</u></u>

See Notes to Financial Statements.

Nelson Fastener Systems 401(k) Plan

**Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 2018**

Additions	
Investment income (loss)	
Net depreciation in fair value of investments	\$ (4,628,135)
Interest	237,364
Dividends	<u>2,219,904</u>
Total investment loss	<u>(2,170,867)</u>
Interest income on notes receivable from participants	<u>58,395</u>
Contributions	
Employer	1,057,316
Participants	2,170,254
Rollovers	<u>17,608</u>
Total contributions	<u>3,245,178</u>
Total additions	<u>1,132,706</u>
Deductions	
Benefits paid to participants	11,959,004
Administrative expenses	<u>66,427</u>
Total deductions	<u>12,025,431</u>
Decrease in net assets prior to transfers	(10,892,725)
Transfers in from Doncasters Inc., Employee Savings Plan	22,876
Transfers to Doncasters Inc., Employee Savings Plan	(1,352,596)
Net assets available for benefits	
Beginning	<u>47,146,973</u>
End	<u><u>\$ 34,924,528</u></u>

See Notes to Financial Statements.

Nelson Fastener Systems 401(k) Plan

Notes to Financial Statements December 31, 2018

Note 1 - Description of Plan

The following description of the Nelson Fastener Systems 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan was a defined contribution plan established with an effective date of January 1, 2017. Employees of Nelson Stud Welding, Inc. and its related U.S. companies (the "Company") became eligible to participate upon completing six months of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Investment Committee is responsible for oversight of the Plan and determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Board of Directors.

Plan merger

On October 26, 2018, the Nelson Stud Welding Inc. Board of Directors resolved to merge the Plan (see Notes 5 and 9). Effective with the Plan's merger, all participants with an account balance remaining in the Plan became fully vested in all contribution sources.

Contributions

Prior to the Plan merger, participants could contribute up to 100% of pretax annual compensation, as defined in the Plan, up to the maximum allowable under the Internal Revenue Code ("IRC"). Participants could also designate contributions as Roth deferral contributions. Participants who have attained age 50 before the end of the Plan year were eligible to make catch-up contributions. Participants could also contribute amounts representing distributions from other qualified (and certain nonqualified) defined benefit or defined contribution plans (rollover). Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan includes an auto-enrollment provision whereby all newly eligible employees were automatically enrolled in the Plan unless they affirmatively elect not to participate in the Plan. Automatically enrolled participants had their deferral rate set at 3% of eligible compensation and their contributions invested in a designated balance fund until changed by the participant. The Plan offered various mutual funds and a money market fund as investment options for participants. The Plan held a personal choice retirement self-directed brokerage account, which was no longer offered as an investment option to participants. Participant contributions were recorded in the period during which the Company makes payroll deductions from the participant's earnings.

The Company made matching contributions in an amount equal to a discretionary uniform percentage of the amount of an employee's contribution not in excess of 4.5% to 8% of an employee's base pay depending on the location of the Company where the participant was employed; however, certain union employees did not receive a match. Company discretionary matching contributions were recorded weekly. Participants also directed the investment of Company contributions. Contributions are subject to certain Internal Revenue Service ("IRS") limitations.

On March 23, 2018, the Board of Directors of Nelson Stud Welding, Inc. executed a resolution to transfer the accounts balances of employees in the General Products division to an unrelated qualified defined contribution plan. Accordingly, Plan assets of \$1,352,596 were transferred out of the Plan on March 15, 2018 and November 28, 2018. Also, on February 8, 2019 there was a transfer into the Plan in the amount of \$22,876.

Nelson Fastener Systems 401(k) Plan

Notes to Financial Statements December 31, 2018

Participant accounts

Prior to the Plan merger, each participant's account was credited with the participant's contributions, the Company's matching contribution and Plan earnings. Participant accounts were charged with administrative expenses that was paid by the Plan. Charges were based on specific participant transactions as defined. The benefit to which a participant was entitled was the benefit that can be provided from the participant's vested account.

Vesting

Participants of the certain related employers hired before January 1, 2008 were vested immediately in all contributions, if any, made to their accounts plus actual earnings thereon. Effective January 1, 2008, due to a merger, certain participants who entered the Plan as a result of the merger became 100% vested ranging from immediately to after seven years of credited service, depending on the location of the Company where the participant was employed. Participants should refer to the Plan document, and any amendments thereto, for a more complete description of the vesting provisions.

Notes receivable from participants

Prior to the Plan merger, participants could borrow from their fund accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their account balance, and a participant could have had up to two loans outstanding at any time. The loans were secured by the balance in the participant's account. The loan interest rate was fixed and determined quarterly with approval by the Plan administrator and was commensurate with market rates for similar loans. Principal and interest are paid ratably through payroll deductions.

Payment of benefits

On termination of service due to death, disability, retirement, or the attainment of age 59½, a participant would have received a lump-sum amount equal to the value of the vested portion of his or her account. A participant with a vested account balance greater than \$5,000 may elect to receive either a lump-sum distribution equal to the value of the vested portion of his or her account, a distribution in the form of an annuity, installment payments, or a combination of these payment options. Participants with a vested account balance of \$1,000 or less would have received a lump-sum distribution equal to the value of the vested portion of their account. Participants with a vested account balance of greater than \$1,000 but less than \$5,000 who do not elect a form of distribution would have their vested account balance rolled over to an individual retirement account administered by Charles Schwab Bank. Distributions are subject to the applicable provisions of the Plan document. The Plan also allows hardship withdrawals in specific cases, as defined in the Plan agreement.

Forfeited accounts

At December 31, 2018 and 2017, forfeited nonvested accounts totaled \$0. Forfeited accounts could be used to reduce future employer contributions or pay Plan administrative expenses, or be reallocated to Plan participants. In 2018, employer contributions were reduced by \$919 from forfeited nonvested accounts.

Note 2 - Summary of accounting policies

Basis of accounting

The financial statements of the Plan have been prepared on the accrual basis of accounting.

Use of estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and

Nelson Fastener Systems 401(k) Plan

Notes to Financial Statements December 31, 2018

assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment valuation and income recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by the investment advisers and trustee. See Note 4 for discussion of fair value measurements.

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

Notes receivable from participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2018 and 2017.

Payment of benefits

Benefits are recorded when paid.

Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Expenses that are paid by the Company are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net depreciation in fair value of investments.

Subsequent events

The Plan has evaluated subsequent events through October 8, 2019, the date the financial statements were available to be issued.

Note 3 - Certified investments

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Investments and notes receivable from participants held at December 31, 2018 and 2017, and investment income and interest income on notes receivable from participants for the year ended December 31, 2018, that are disclosed in the accompanying financial statements and supplemental Schedule of Assets (Held at End of Year) (Schedule H, Line 4i) were obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the trustee of the Plan.

Note 4 - Fair value measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest

Nelson Fastener Systems 401(k) Plan

Notes to Financial Statements December 31, 2018

priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under Financial Accounting Standards Board Accounting Standards Codification 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2018 and 2017.

Mutual funds and money market fund: Valued at the daily closing price as reported by the fund. Mutual funds and money market funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds and money market funds held by the Plan are deemed to be actively traded.

Personal choice retirement self-directed brokerage accounts: Accounts primarily consists of commons stocks that are valued on the basis of readily determinable market prices.

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

	2018			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 30,469,396	\$ -	\$ -	\$ 30,469,396
Money market fund	3,397,136	-	-	3,397,136
Personal choice retirement self-directed brokerage accounts	7,883	-	-	7,883
Total assets at fair value	\$ 33,874,415	\$ -	\$ -	\$ 33,874,415

Nelson Fastener Systems 401(k) Plan

Notes to Financial Statements December 31, 2018

	2017			Total
	Level 1	Level 2	Level 3	
Mutual funds	\$ 42,041,912	\$ -	\$ -	\$ 42,041,912
Money market fund	3,790,047	-	-	3,790,047
Personal choice retirement self-directed brokerage accounts	158,028	-	-	158,028
Total assets at fair value	<u>\$ 45,989,987</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,989,987</u>

For the year ended December 31, 2018, there were no significant transfers between Levels 1 and 2 and no transfers in or out of Level 3.

Note 5 - Plan termination and merger

As discussed in Note 1, the Plan sponsor merged the Plan effective January 4, 2019 subject to the provisions of ERISA. The net assets of the Plan were allocated as prescribed by ERISA and its related regulations.

Note 6 - Tax status

The Plan uses a volume submitter plan document designed by Document Agility Inc. The IRS has informed Document Agility Inc by an advisory letter dated April 22, 2016 that the Plan and related trust are designed in accordance with the applicable sections of the IRC. The Plan itself has not received a determination letter from the IRS. Although the Plan has been amended since receiving the advisory letter, the Plan administrator believes that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believes that the Plan and the related trust are tax-exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Note 7 - Related party transactions and party-in-interest transactions

Certain Plan investments are shares of mutual funds and a self-directed brokerage account managed by Charles Schwab Bank. Charles Schwab Bank is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net depreciation in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. As described in Note 2, the Plan made a direct payment to the third party administrator of \$66,427, which was not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

Note 8 - Risks and uncertainties

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

Nelson Fastener Systems 401(k) Plan

**Notes to Financial Statements
December 31, 2018**

Note 9 - Subsequent events

From January 1, 2019 through March 11, 2019, all assets were merged into an unrelated qualified plan.

Supplementary Information

Nelson Fastener Systems 401(k) Plan
EIN # 52-2213124
Plan # 001

Schedule of Assets (Held at End of Year) (Schedule H, Line 4i)
December 31, 2018

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description	(d) Cost (A)	(e) Current value
	Oakmark Equity Income Fund	Mutual fund		\$ 8,322,975
*	Schwab S&P 500 Index Fund	Mutual fund		4,140,271
	Fidelity Contra Fund	Mutual fund		3,983,832
	Vanguard Treasury Money Market Investor Fund	Money market fund		3,397,136
	Metropolitan West Total Return Bond	Mutual fund		2,164,542
	American Funds Europacific Growth	Mutual fund		1,916,544
	Virtus Ceredex Mid-Cap Value Equity Fund	Mutual fund		1,849,794
	MFS Value R3	Mutual fund		1,331,989
	AMG TimesSquare Mid Cap Growth Institutional Fund	Mutual fund		1,056,712
	Parnassus Core Equity Fund	Mutual fund		672,959
	American New Perspective Fund	Mutual fund		537,095
	Acadian Emerging Markets Institutional Fund	Mutual fund		479,008
	Blackrock Strat Income Opp Institutional Fund	Mutual fund		444,963
	Oppenheimer International Bond Fund	Mutual fund		429,874
	MFS International New Discovery R3	Mutual fund		417,916
	AMG Silvercrest Small Cap Fund	Mutual fund		405,164
	MFS Emerging Market Debt Fund	Mutual fund		376,942
	American Funds High Income Trust Fund	Mutual fund		369,772
	Nuveen Real Estate Secs I	Mutual fund		350,881
	T Rowe Price New Era Fund	Mutual fund		312,843
	Allianz GI Micro Cap Institutional Fund	Mutual fund		258,739
	Vanguard Tax-Managed Small Cap Fund	Mutual fund		177,428
*	Schwab U.S. Aggregate Bond Index Fund	Mutual fund		156,613
	Northern Mid Cap Index Fund	Mutual fund		148,721
	Wells Fargo Short Duration Govt Bond Institutional Fund	Mutual fund		111,577
*	Schwab International Index Fund	Mutual fund		52,242
*	Personal Choice Retirement Self-Directed Brokerage Accounts	Self-directed brokerage accounts		7,883
	Total			33,874,415
*	Participant loans	Interest at 5.25% - 7.25%, maturing at various dates, secured by participant's account balance		1,050,113
	Total			<u>\$ 34,924,528</u>
*	Party-in-interest.			
(A)	Cost not required.			

See Independent Auditor's Report



Independent Member of Nexia International

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Nelson Fastener Systems 401(k) Plan
Schedule C, Part I, Line 3 - Service Provider Indirect Compensation Information
December 31, 2018

EIN: 52-2213124
Plan Number: 001

Received By Charles Schwab & Co., Inc. (EIN: 94-1737782)

Fund Family/Provider	EIN	Formula
Acadian Funds	Not Available	Rate of 0.12% of average daily balance of asset(s)
Allianz Funds	06-1349805	Rate of 0.03% of average daily balance of asset(s)
American Funds	95-1411037	Rate of 0.02% of average daily balance of asset(s)
AMG Funds	06-1555943	Range of 0.03 - 0.12% of average daily balance of assets
BlackRock	04-6171663	Rate of 0.02% of average daily balance of asset(s)
Fidelity Investments	06-1194217	Rate of 0.08% of average daily balance of asset(s)
Metropolitan West Funds	95-4597302	Rate of 0.11% of average daily balance of asset(s)
MFS	04-3253929	Range of 0.05 - 0.15% of average daily balance of assets
Northern Funds	36-3608252	Rate of 0.02% of average daily balance of asset(s)
Nuveen	36-3817266	Rate of 0.08% of average daily balance of asset(s)
Oakmark	52-2257782	Rate of 0.11% of average daily balance of asset(s)
OppenheimerFunds	13-2527171	Rate of 0.08% of average daily balance of asset(s)
Parnassus	94-6579180	Rate of 0.12% of average daily balance of asset(s)
T. Rowe Price	52-2264646	Rate of 0.05% of average daily balance of asset(s)
Virtus	95-4191764	Rate of 0.12% of average daily balance of asset(s)
Wells Fargo Funds	41-0449260	Rate of 0.02% of average daily balance of asset(s)

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

NAME OF PLAN SPONSOR:	Nelson Stud Welding, Inc.
NAME OF PLAN:	Nelson Fastener Systems 401(k) Plan
EIN:	52-2213124
PLAN NUMBER:	001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current Value
*	PARTICIPANT LOANS	Loans (5.25% - 7.25%)		1,036,941
	VANGUARD TRSY MONEY MKT INVSTR	Money Market / Cash Equivalent		3,397,136
	PCRA	Self-Directed Brokerage Account		7,883
	ACADIAN EMERGING MKTS INST CL	Registered Investment Company		479,008
	ALLIANZ GI MICRO CAP INSTL	Registered Investment Company		258,740
	AMERICAN FD HI INC TRUST R6	Registered Investment Company		369,772
	AMERICAN NEW PERSPECTIVE R5	Registered Investment Company		537,095
	AMG SILVERCREST SMALL CAP CL I	Registered Investment Company		405,164
	AMG TIMES SQ MIDCAP GRTH N	Registered Investment Company		1,056,712
	BLACKROCK STRAT INCM OPP INSTL	Registered Investment Company		444,963
	EUROPACIFIC GROWTH R6	Registered Investment Company		1,916,544
	FIDELITY CONTRA FUND	Registered Investment Company		3,983,832
	METROPOLITAN WEST TOTAL RET BD	Registered Investment Company		2,164,542
	MFS EMERGING MARKET DEBTS R4	Registered Investment Company		376,942
	MFS INTL NEW DISCOVERY R3	Registered Investment Company		417,916
	MFS VALUE R3	Registered Investment Company		1,331,989
	NORTHERN MID CAP INDEX	Registered Investment Company		148,721
	NUVEEN REAL ESTATE SECS I	Registered Investment Company		350,881
	OAKMARK EQTY & INCM INVESTOR	Registered Investment Company		8,322,975
	OPPENHEIMER INTL BOND Y	Registered Investment Company		429,874
	PARNASSUS CORE EQUITY INV	Registered Investment Company		672,959
*	SCHWAB INTERNATIONAL INDEX FD	Registered Investment Company		52,242
*	SCHWAB S&P 500 INDEX FUND	Registered Investment Company		4,140,271
*	SCHWAB US AGGREGATE BOND INDEX	Registered Investment Company		156,613
	T ROWE PRICE NEW ERA FUND	Registered Investment Company		312,843
	VANGUARD TAX MANAGED SMCAP ADM	Registered Investment Company		177,428
	VIRTUS CEREDEx MC VAL EQ I	Registered Investment Company		1,849,794
	WF SHORT DURATION GOVT BD I	Registered Investment Company		111,577

* Party-in-interest