

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: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ a multiemployer plan </div> <div> ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☒ a single-employer plan </div> <div> ☐ a DFE (specify) ____ </div> </div>	
B This return/report is: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ the first return/report </div> <div> ☐ the final return/report </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ an amended return/report </div> <div> ☐ a short plan year return/report (less than 12 months) </div> </div>	
C If the plan is a collectively-bargained plan, check here. ☐	
D Check box if filing under: <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☒ Form 5558 </div> <div> ☐ automatic extension </div> <div> ☐ the DFVC program </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 5px;"> <div> ☐ special extension (enter description) </div> </div>	

Part II	Basic Plan Information—enter all requested information		
1a Name of plan <u>THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN</u>		1b Three-digit plan number (PN) ▶	<u>001</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>ARNOLD MAGNETIC TECHNOLOGIES CORPORATION</u> <u>770 LINDEN AVENUE</u> <u>ROCHESTER, NY 14625</u>		1c Effective date of plan <u>04/01/2005</u>	
2b Employer Identification Number (EIN) <u>20-2368759</u>		2c Plan Sponsor's telephone number <u>585-385-9010</u>	
2d Business code (see instructions) <u>332900</u>		<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	

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.	<u>10/11/2019</u>	<u>WENDY CHEEK</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>	<div style="border: 1px solid black; height: 30px; width: 100%;"></div>
	Signature of DFE	Date	Enter name of individual signing as DFE

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

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 283
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) 212 6a(2) 239 6b 6 6c 64 6d 309 6e 3 6f 312 6g 305 6h 13
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 2T 3D 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)** ☐ **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

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

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

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

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

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

Receipt Confirmation Code _____

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

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
<div>A Name of plan</div> <div>THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN</div>	<div>B Three-digit plan number (PN)</div> <div>▶</div>	001
<div>C Plan sponsor's name as shown on line 2a of Form 5500</div> <div>ARNOLD MAGNETIC TECHNOLOGIES CORPORATION</div>	<div>D Employer Identification Number (EIN)</div> <div>20-2368759</div>	

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

<div>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).....</div> <div>☒ Yes ☐ No</div>
<div>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).</div>

<div>(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation</div> <div>THE VANGUARD GROUP INC</div> <div>23-1945930</div>

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

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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)

NOVEM GROUP

45-2656077

(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?
27	NONE	47089	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

THE VANGUARD GROUP, INC.

23-1945930

(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 25 37 52	NONE	3485	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☐

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

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

a Name:	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:

<div>SCHEDULE D</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div>		<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2018</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018					
A Name of plan THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN				B Three-digit plan number (PN) ▶ 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ARNOLD MAGNETIC TECHNOLOGIES CORPORATION				D Employer Identification Number (EIN) 20-2368759	
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: VFTC RETIREMENT SAVINGS TRUST					
b Name of sponsor of entity listed in (a): VANGUARD FIDUCIARY TRUST COMPANY					
c EIN-PN 45-5436422-022		d Entity code C		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1830151	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of	

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

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

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

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	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 THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 ARNOLD MAGNETIC TECHNOLOGIES CORPORATION	D Employer Identification Number (EIN) 20-2368759	

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)	7393	567
(2) Participant contributions	1b(2)	27211	2002
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)	261439	290895
(9) Value of interest in common/collective trusts	1c(9)	1744726	1830151
(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)	17946221	16203205
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

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	19986990	18326820

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	13464	16397
k Total liabilities (add all amounts in lines 1g through 1j)	1k	13464	16397

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	19973526	18310423
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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)	218142	
(B) Participants	2a(1)(B)	828287	
(C) Others (including rollovers)	2a(1)(C)	67286	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1113715
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	14848	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		14848
(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)	1037147	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1037147
(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)		39131
(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)		-2127948
c Other income.....	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		76893

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1713115	
(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)		1713115
f Corrective distributions (see instructions)	2f		1944
g Certain deemed distributions of participant loans (see instructions)	2g		-24087
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	49024	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		49024
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1739996

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-1663103
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: **INSERO & CO. CPAS, LLP**

(2) EIN: **47-5324570**

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.)		X	
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.).....		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		1000000
4e	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
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?.....		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 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>THE ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS 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>ARNOLD MAGNETIC TECHNOLOGIES CORPORATION</u>	D Employer Identification Number (EIN) <u>20-2368759</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>23-2186884</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.)
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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
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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
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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.
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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):



September 6, 2019

To the Board of Directors of the
Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan
770 Linden Avenue
Rochester, New York 14625

This letter is to inform the Board of Directors of the Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan (the Plan) about significant matters related to the conduct of our audit as of and for the year ended December 31, 2018 so that it can appropriately discharge its oversight responsibility, and we can comply with our professional responsibilities.

The following summarizes various matters that must be communicated to you under auditing standards generally accepted in the United States of America.

The Respective Responsibilities of the Auditor and Management

Our responsibility under auditing standards generally accepted in the United States of America has been described to you in our arrangement letter dated February 5, 2019. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated February 5, 2019 regarding the planned scope and timing of our audit and have discussed with you our identification of and planned audit response to significant risks of material misstatement.

Significant Accounting Practices, Including Policies, Estimates and Disclosures

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, management has selected the preferable accounting practice.

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Plan. The Plan did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the plan year.

We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

We noted no sensitive accounting estimates relating to the financial statements of the Plan.

We have audited your financial statements and we did not note any issues related to the neutrality, consistency, and clarity of the disclosures in the financial statements.

INSERO & Co. CPAs, LLP

Rochester | Ithaca | Corning | Cortland | Watkins Glen | (800) 232-9547 | www.inserocpa.com

Audit Adjustments

There were no significant audit adjustments made to the original financial information presented to us to begin our audit.

Uncorrected Misstatements

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for other information in documents containing the Plan's audited financial statements is to read the information and consider whether its content or manner of its presentation is materially inconsistent with the financial information covered by our auditor's report or whether it contains a material misstatement of fact. We read the Plan's Form 5500 filing for consistency with information in the financial statements. We have provided our comments to management. We are not aware of other documents that contain the audited financial statements. We did not identify material inconsistencies with the audited financial statements.

Supplemental Schedule

With respect to the supplemental schedule accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the method of preparing it had not changed from the prior period, and the information is appropriate and complete.

Internal Control Matters

Below is a summary regarding certain deficiencies in internal control that we identified during the planning or performance of our audit of the financial statements:

- During our audit, it was noted that one participant did not have up to date deferral election documentation located in his employee file.

We recommend that Plan management review this participant and ensure all participants have up to date deferral election forms that reflect their current contribution rate. Maintaining proper documentation regarding participant data serves to safeguard the Plan and the Plan sponsor and prevents improper deferrals.

- During our audit, we noted that participant contributions were not properly calculated on an off-cycle bonus payout for two participants. We noted that the compensation used for purposes of participant deferral calculations and employer match was not in line with the definition of compensation in the Plan Document relating to bonus compensation.

We recommend that Plan management review bonus checks to ensure participant contributions are properly calculated and withheld and determine if any corrective action is necessary. We also recommend that management update the compensation parameters in the payroll system to be in accordance with the Plan document, or amend the Plan document, to be in accordance with a consistent application among participants.

- During our audit, we noted that one nonparticipant elected to contribute to the Plan, but their enrollment was missed.

We recommend that management consult with their ERISA counsel and make any necessary corrections to the employee's account. Additionally, we recommend that management review their procedures to ensure that all employees are properly enrolled in the Plan.

Disagreements With Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

Consultation With Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed or Subject to Correspondence With Management

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any significant difficulties in dealing with management during the audit.

Management Representations

Attached is a copy of the management representation letter.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to continue to be of service to the Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,



Insero & Co. CPAs, LLP
Certified Public Accountants
Rochester, New York

Arnold Magnetic Technologies Corporation

Employee Retirement Savings Plan

Insero & Co. CPAs, LLP
2 State Street, Suite 300
Rochester, New York 14614

This representation letter is provided in connection with your audits of the financial statements of Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan (the Plan) which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017 and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

We have determined that the Plan trustee, Vanguard Fiduciary Trust Company qualifies to issue a certification of the Plan's asset activity under section 2520.103-5 of the Department of Labor's (DOL) Rules and Regulations. Therefore, as permitted by Regulation 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), we have instructed you not to perform any auditing procedures with respect to asset information certified by Vanguard Fiduciary Trust Company, other than comparing that information with the related information included in the financial statements and supplemental schedule. Because of the significance of the information which you did not audit, we understand that you will not express an opinion on the financial statements and supplemental schedule as a whole.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves that as of September 6, 2019:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated February 5, 2019, for the preparation and fair presentation of the financial statements referred to above in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

2. We acknowledge our responsibility for 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.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. We are responsible for making the accounting estimates included in the financial statements. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take.
5. In that regard, we are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or other third parties. The methods and significant assumptions used to determine fair values of the financial instruments are as follows:

Mutual Funds: Valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Common/Collective Trust: Valued at NAV, as a practical expedient, based on the underlying assets of the trust. The fair value of the underlying assets is obtained from information provided by the investment advisor using the audited financial statements of the common/collective trust at year end. There are no restrictions on redemptions of this investment.

Money Market Fund: Valued at the NAV, as a practical expedient, of shares held by the Plan at year end.

Our valuation methodologies have been consistently applied from period to period. The methods and assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.

6. All significant estimates and material concentrations known to management that are required to be disclosed in accordance with the *Risks and Uncertainties* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) have been properly recorded and/or disclosed in the financial statements. Significant estimates are estimates at the statement of net assets available for benefits date that could change materially within the next year. Concentrations refer to the nature and type of investments held by the Plan, or markets in which events could occur that would significantly disrupt normal finances within the next year.
7. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

8. Transactions with parties-in-interest, as defined in ERISA Section 3(14) and regulations thereunder, including sales, purchases, loans, transfers, leasing arrangements and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed.
9. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
10. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
11. We have no intention to terminate the Plan.
12. We have properly reported and disclosed amendments to the plan instrument, if any.
13. With respect to accounting services performed in the course of the audit, such as drafting the financial statements:
 - a) We have made all management decisions and performed all management functions;
 - b) We assigned an appropriate individual to oversee the services;
 - c) We evaluated the adequacy and results of the services performed, and made an informed judgment on the results of the services performed;
 - d) We have accepted responsibility for the results of the services; and
 - e) We have accepted responsibility for all significant judgments and decisions that were made.
14. We have no knowledge of any uncorrected misstatements in the financial statements.

Supplementary Information

15. With respect to the supplemental schedule:
 - a. We acknowledge our responsibility for the presentation of such information.
 - b. We believe such information, including its form and content, is fairly presented in accordance with DOL Rules and Regulations for Reporting and Disclosure under ERISA.
 - c. The methods of measurement or presentation have not changed from those used in the prior period.
 - d. There are no underlying significant assumptions or interpretations regarding the measurement or presentation of such information.
 - e. We will only present the supplemental schedule together with the audited financial statements and auditor's report thereon and will not separate the supplementary information from the audited financial statements and auditor's report thereon in any document that contains such information.

Information Provided

16. We have provided you with:

- a. Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters.
- b. Additional information that you have requested from us for the purpose of the audit.
- c. Unrestricted access to persons within the Plan from whom you determined it necessary to obtain audit evidence.
- d. The currently effective version of the Plan document, including the prototype plan document and adoption agreement, the trust agreement or insurance contracts and all related amendments. The Plan was most recently amended January 1, 2018.
- e. All correspondence, filings, reports, and determinations with the Internal Revenue Service (IRS) and the DOL relating to the Plan's compliance with ERISA and the maintenance of its tax-exempt status.
- f. All Plan financial records and related data. In that regard, the payroll information we provided you covered all employees that were eligible to participate in the Plan.
- g. All minutes of the meetings of the Plan's Retirement Plan Committee, or summaries of actions of recent meetings for which minutes have not yet been prepared.

17. All transactions have been recorded in the accounting records and are reflected in the financial statements. In this regard, the Plan Sponsor's management designated an individual with sufficient skills, knowledge, and experience to oversee the financial statement preparation process and to take responsibility for the results of the financial statement preparation services. This individual performed a detailed review of the financial statements consisting of the following procedures:

- Reconciliation of the trust activity and participant statements to the financial statements.
- Review of the adequacy of financial statement disclosures by review and approval of the disclosure checklist completed by you.
- Review and approval of schedules and calculations supporting the amounts included in the notes to the financial statements.
- Applying analytical procedures to financial statements.

18. We have disclosed to you the results of our assessment of risk that the financial statement may be materially misstated as a result of fraud.

19. We have no knowledge of any allegations of fraud or suspected fraud affecting the Plan involving:
 - a. Management or employees who have significant roles in the internal control.
 - b. Others where the fraud could have a material effect on the financial statements.
20. We have no knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.
21. We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements, and neither we, nor the Plan Sponsor, or others acting on behalf of the Plan, have consulted a lawyer concerning litigation and claims or other matters affecting the Plan.
22. We have disclosed to you the identity of the Plan's related parties and parties in interest and all the related-party and party-in-interest relationships and transactions of which we are aware.
23. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Plan's ability to record, process, summarize, and report financial data.
24. We have no plans or intentions that may materially affect the carrying value or classification of assets or liabilities.
25. The Plan has satisfactory title to all owned assets that are recorded at fair value, and all liens, encumbrances, or security interests have been properly disclosed.
26. We have completed and reviewed the Tax Compliance Checklist you have provided to us and have answered all questions to the best of our knowledge and belief.
27. There have been no communications, whether written or oral, from regulatory agencies concerning non-compliance or deficiencies in the operation of the plan.
28. We have complied with (a) all aspects of contractual agreements, including provisions of the Plan, that would have a material effect on the financial statements in the event of noncompliance, (b) the fidelity bonding requirements of ERISA, (c) all participant eligibility and coverage requirements of the Plan, ERISA and the Internal Revenue Code (IRC), and (d) the filing requirements of appropriate agencies.
29. We have complied with the DOL's regulations concerning the timely remittance of participants contributions to trusts containing assets for the Plan.
30. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

31. The Internal Revenue Service has determined and informed the Plan sponsor, by a letter dated March 31, 2014, that the Plan is qualified and the trust established under the Plan is tax exempt under the appropriate sections of the IRC. The Plan has been amended since receiving the determination letter. We have operated the plan and trust in a manner that did not jeopardize this tax status.
32. We have reviewed the complementary user entity control considerations of the Service Organization Controls (SOC 1) Report for Defined Contribution Recordkeeping Services dated November 20, 2018 for the period ended September 30, 2018 and we believe all applicable controls are properly designed and implemented, and operating effectively.
33. There are no:
- a. Nonexempt (prohibited) party-in-interest transactions that were not disclosed in the financial statements or supplemental schedule.
 - b. Notes receivable from participants or other receivables or investments in default or considered to be uncollectible that were not disclosed in the financial statements or supplemental schedule.
 - c. Reportable transactions that were not disclosed in the supplemental schedule.
34. We certify that for the period from January 1, 2018 to the date of this letter, there has/have been no, except as disclosed to you:
- Mergers related to the Plan.
 - Partial Plan termination.
 - Changes in Plan trustees or Plan Administrator.
 - Changes in service providers.
 - Additional company contributions attributable to the Plan year.
35. During the course of your audits, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan



Wendy Cheek, Chief Financial Officer

**ARNOLD MAGNETIC TECHNOLOGIES
CORPORATION EMPLOYEE
RETIREMENT SAVINGS PLAN**

FINANCIAL REPORT

December 31, 2018



***ARNOLD MAGNETIC TECHNOLOGIES
CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN***

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of the
Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, 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.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's 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 5, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing this 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 assets and executes transactions. The Plan Administrator has obtained certifications 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.

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2018 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis but is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

INSERO & Co. CPAs, LLP

Rochester | Ithaca | Corning | Cortland | Watkins Glen | (800) 232-9547 | www.inserocpa.com

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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Respectfully Submitted,

A handwritten signature in black ink that reads "Inero & Co. CPAs, LLP". The signature is written in a cursive, flowing style.

Inero & Co. CPAs, LLP
Certified Public Accountants

Rochester, New York
September 6, 2019

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments, at Fair Value		
Mutual Funds	\$ 16,169,228	\$ 17,929,155
Common/Collective Trust	1,830,151	1,744,726
Money Market Fund	<u>33,977</u>	<u>17,066</u>
Total Investments at Fair Value	18,033,356	19,690,947
Notes Receivable from Participants	290,895	261,439
Participant Contributions Receivable	2,002	27,211
Employer Contributions Receivable	<u>567</u>	<u>7,393</u>
Total Assets	18,326,820	19,986,990
LIABILITIES		
Excess Contributions Payable	<u>(16,397)</u>	<u>(13,464)</u>
Net Assets Available for Benefits	<u><u>\$ 18,310,423</u></u>	<u><u>\$ 19,973,526</u></u>

See Notes to Financial Statements

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2018

Additions to Net Assets Attributed to:

Interest and Dividends	<u>\$ 1,076,278</u>
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Interest on Notes Receivable from Participants	<u>14,848</u>
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Contributions

Participants	828,287
Rollovers	67,286
Employer	<u>218,142</u>

Total Contributions	<u>1,113,715</u>
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Total Additions	<u>2,204,841</u>
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Deductions from Net Assets Attributed to:

Net Depreciation in Fair Value of Investments	2,127,948
Benefits Paid to Participants	1,690,972
Administrative Expenses	<u>49,024</u>

Total Deductions	<u>3,867,944</u>
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Net Decrease	(1,663,103)
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Net Assets Available for Benefits - Beginning	<u>19,973,526</u>
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Net Assets Available for Benefits - Ending	<u><u>\$ 18,310,423</u></u>
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See Notes to Financial Statements

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 1 Description of Plan

The following description of the Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan, established effective April 1, 2005, covering all United States employees of Arnold Magnetic Technologies Corporation (the Company), excluding employees whose employment is governed by the terms of a collective bargaining agreement. The Plan is intended to satisfy all of the requirements for a qualified retirement plan under the appropriate provisions of the Internal Revenue Code (IRC). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Participation

Under the provisions of the Plan, eligible employees of the Company may participate in the Plan upon being hired.

Contributions and Vesting

The Plan provides that each participant may make elective pre-tax contributions for each payroll period, up to a maximum amount as allowed by certain statutory limitations. Participants are immediately 100% vested in their contributions and Company contributions.

The Plan also provides for a Company matching contribution determined annually by management. During 2018, the Company matching contribution was 50% up to 4% of employee elective deferrals.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Company's contribution and Plan earnings (losses). Allocations are based on participant earnings (losses) or account balances, as defined. Participant accounts are charged withdrawals and an allocation of administrative expenses. The benefit to which a participant is entitled to is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participants

Participants may borrow from their account a minimum of \$1,000 up to a maximum of \$50,000 reduced by the highest outstanding loan balance during the previous 12 months or 50% of their vested account balance, whichever is less. The notes bear interest at the prime rate plus 1% and are to be repaid over a period not to exceed five years, or longer for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits

The Plan provides for normal retirement benefits upon reaching age 65 and has provisions for disability, death, hardship, obtaining age 59 ½ or severance from employment for those participants who are eligible to receive such benefits.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 1 Description of Plan - Continued

Payment of Benefits - Continued

Upon termination of service, participants can elect to have a qualified rollover of their vested balance or receive a lump-sum amount equal to the value of the participant's vested interest in his or her account.

Excess Contributions

At December 31, 2018 and 2017, the Plan recorded a liability of \$16,397 and \$13,464, respectively, for amounts refundable by the Plan to participants for contributions made in excess of amounts allowed under the IRC.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

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

Subsequent Events

In preparing the financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through September 6, 2019, the date the financial statements were available to be issued.

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, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefit distributions are recorded when paid.

Administrative Expenses

Administrative expenses may be paid for by the Plan or the Company.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 2 Summary of Significant Accounting Policies - Continued

Risks and Uncertainties

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

Note 3 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 follows the fair value measurement guidance required by accounting principles generally accepted in the United States of America for financial and non-financial assets and liabilities. This guidance defines fair value and 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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;
- 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.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 3 Investment Valuation and Income Recognition - Continued

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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value:

Mutual Funds: Valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Common/Collective Trust: Valued at NAV, as a practical expedient, based on the underlying assets of the trust. The fair value of the underlying assets is obtained from information provided by the investment advisor using the audited financial statements of the common/collective trust at year end. There are no restrictions on redemptions of this investment.

Money Market Fund: Valued at the NAV, as a practical expedient, of shares held by the Plan at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 3 Investment Valuation and Income Recognition - Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of:

Investments, Fair Value as of December 31, 2018		
	<u>Level 1</u>	<u>Total</u>
Mutual Funds	\$ 16,169,228	\$ 16,169,228
Assets Measured at NAV ^(a)		<u>1,864,128</u>
Total		<u>\$ 18,033,356</u>

Investments, Fair Value as of December 31, 2017		
	<u>Level 1</u>	<u>Total</u>
Mutual Funds	\$ 17,929,155	\$ 17,929,155
Assets Measured at NAV ^(a)		<u>1,761,792</u>
Total		<u>\$ 19,690,947</u>

^(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

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

Note 4 Tax Status

The Plan adopted a volume submitter plan document sponsored by Vanguard Fiduciary Trust Company (Vanguard). The volume submitter plan has received an advisory letter from the Internal Revenue Service (IRS), dated March 31, 2014, as to the volume submitter plan's qualified status. The advisory letter has been relied upon by the Plan. The Plan Administrator believes that the Plan is currently designed and operating in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 5 Certified Information

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Vanguard, has certified to the completeness and accuracy of the investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2018 and 2017, schedule of assets (held at end of year) as of December 31, 2018, and the investment activity (including interest and dividends and net depreciation in fair value of investments) and interest on notes receivable from participants reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2018.

Note 6 Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of termination of the Plan, all participants shall have a 100% nonforfeitable right to the amount credited to their accounts as of such date.

Note 7 Party-in-Interest Transactions

Certain Plan investments are shares of mutual funds, a money market fund and a common/collective trust managed by an affiliate of Vanguard. Vanguard is the trustee of the Plan and, therefore, transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants also qualify as party-in-interest transactions.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2018 EIN: 20-2368759 Plan Number: 001

<u>Identity of Issue</u>	<u>Description of Investment</u>	<u>Current Value</u>
Mutual Funds		
* Vanguard	Wellington Fund Investor Shares	\$ 3,225,752
* Vanguard	Windsor II Fund Investor Shares	2,054,343
* Vanguard	Small-Cap Index Fund Investor Shares	1,968,902
* Vanguard	500 Index Fund Investor Shares	1,693,931
* Vanguard	Windsor Fund Investor Shares	1,436,381
John Hancock	Bond Fund; Class I	1,271,166
* Vanguard	International Growth Fund Investor Shares	1,131,961
* Vanguard	Morgan Growth Fund Investor Shares	854,872
* Vanguard	Target Retirement 2020 Fund	790,109
* Vanguard	Target Retirement 2025 Fund	553,388
* Vanguard	U.S. Growth Fund Investor Shares	512,644
* Vanguard	Target Retirement 2030 Fund	253,059
* Vanguard	Target Retirement 2035 Fund	88,802
* Vanguard	Target Retirement 2055 Fund	76,524
* Vanguard	Target Retirement Income	65,194
* Vanguard	Mid-Cap Index Fund Investor Shares	63,668
* Vanguard	Target Retirement 2045 Fund	39,462
* Vanguard	Target Retirement 2040 Fund	33,982
* Vanguard	Target Retirement 2060 Fund	28,484
* Vanguard	Target Retirement 2050 Fund	26,604
Total Mutual Funds		<u>16,169,228</u>
Common/Collective Trust		
* Vanguard	Retirement Savings Trust	<u>1,830,151</u>
Money Market Fund		
* Vanguard	Prime Money Market Fund	<u>33,977</u>
Participant Loans		
* Various	Interest rates ranging from 4.25% to 6.25% and maturity dates ranging from January 2019 through December 2023	<u>290,895</u>
		<u><u>\$ 18,324,251</u></u>

* Denotes Party-In-Interest

**ARNOLD MAGNETIC TECHNOLOGIES
CORPORATION EMPLOYEE
RETIREMENT SAVINGS PLAN**

FINANCIAL REPORT

December 31, 2018



***ARNOLD MAGNETIC TECHNOLOGIES
CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN***

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants of the
Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, 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.

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's 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 5, which was certified by Vanguard Fiduciary Trust Company, the trustee of the Plan, except for comparing this 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 assets and executes transactions. The Plan Administrator has obtained certifications 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.

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2018 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purposes of additional analysis but is not a required part of the financial statements. The supplemental schedule is the responsibility of the Plan's management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

INSERO & Co. CPAs, LLP

Rochester | Ithaca | Corning | Cortland | Watkins Glen | (800) 232-9547 | www.inserocpa.com

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 Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Respectfully Submitted,

A handwritten signature in black ink that reads "Inero & Co. CPAs, LLP". The signature is written in a cursive, slightly stylized font.

Inero & Co. CPAs, LLP
Certified Public Accountants

Rochester, New York
September 6, 2019

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Investments, at Fair Value		
Mutual Funds	\$ 16,169,228	\$ 17,929,155
Common/Collective Trust	1,830,151	1,744,726
Money Market Fund	<u>33,977</u>	<u>17,066</u>
Total Investments at Fair Value	18,033,356	19,690,947
Notes Receivable from Participants	290,895	261,439
Participant Contributions Receivable	2,002	27,211
Employer Contributions Receivable	<u>567</u>	<u>7,393</u>
Total Assets	18,326,820	19,986,990
LIABILITIES		
Excess Contributions Payable	<u>(16,397)</u>	<u>(13,464)</u>
Net Assets Available for Benefits	<u><u>\$ 18,310,423</u></u>	<u><u>\$ 19,973,526</u></u>

See Notes to Financial Statements

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2018

Additions to Net Assets Attributed to:

Interest and Dividends	\$ 1,076,278
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Interest on Notes Receivable from Participants	14,848
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Contributions

Participants	828,287
Rollovers	67,286
Employer	218,142

Total Contributions	1,113,715
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Total Additions	2,204,841
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Deductions from Net Assets Attributed to:

Net Depreciation in Fair Value of Investments	2,127,948
Benefits Paid to Participants	1,690,972
Administrative Expenses	49,024

Total Deductions	3,867,944
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Net Decrease	(1,663,103)
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Net Assets Available for Benefits - Beginning	19,973,526
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Net Assets Available for Benefits - Ending	\$ 18,310,423
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See Notes to Financial Statements

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 1 Description of Plan

The following description of the Arnold Magnetic Technologies Corporation Employee Retirement Savings Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan, established effective April 1, 2005, covering all United States employees of Arnold Magnetic Technologies Corporation (the Company), excluding employees whose employment is governed by the terms of a collective bargaining agreement. The Plan is intended to satisfy all of the requirements for a qualified retirement plan under the appropriate provisions of the Internal Revenue Code (IRC). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Participation

Under the provisions of the Plan, eligible employees of the Company may participate in the Plan upon being hired.

Contributions and Vesting

The Plan provides that each participant may make elective pre-tax contributions for each payroll period, up to a maximum amount as allowed by certain statutory limitations. Participants are immediately 100% vested in their contributions and Company contributions.

The Plan also provides for a Company matching contribution determined annually by management. During 2018, the Company matching contribution was 50% up to 4% of employee elective deferrals.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Company's contribution and Plan earnings (losses). Allocations are based on participant earnings (losses) or account balances, as defined. Participant accounts are charged withdrawals and an allocation of administrative expenses. The benefit to which a participant is entitled to is the benefit that can be provided from the participant's vested account.

Notes Receivable from Participants

Participants may borrow from their account a minimum of \$1,000 up to a maximum of \$50,000 reduced by the highest outstanding loan balance during the previous 12 months or 50% of their vested account balance, whichever is less. The notes bear interest at the prime rate plus 1% and are to be repaid over a period not to exceed five years, or longer for the purchase of a primary residence. Principal and interest is paid ratably through payroll deductions.

Payment of Benefits

The Plan provides for normal retirement benefits upon reaching age 65 and has provisions for disability, death, hardship, obtaining age 59 ½ or severance from employment for those participants who are eligible to receive such benefits.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 1 Description of Plan - Continued

Payment of Benefits - Continued

Upon termination of service, participants can elect to have a qualified rollover of their vested balance or receive a lump-sum amount equal to the value of the participant's vested interest in his or her account.

Excess Contributions

At December 31, 2018 and 2017, the Plan recorded a liability of \$16,397 and \$13,464, respectively, for amounts refundable by the Plan to participants for contributions made in excess of amounts allowed under the IRC.

Note 2 Summary of Significant Accounting Policies

Basis of Accounting

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

Subsequent Events

In preparing the financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through September 6, 2019, the date the financial statements were available to be issued.

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, liabilities, and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are reclassified as distributions based upon the terms of the Plan document.

Payment of Benefits

Benefit distributions are recorded when paid.

Administrative Expenses

Administrative expenses may be paid for by the Plan or the Company.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 2 Summary of Significant Accounting Policies - Continued

Risks and Uncertainties

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

Note 3 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 follows the fair value measurement guidance required by accounting principles generally accepted in the United States of America for financial and non-financial assets and liabilities. This guidance defines fair value and 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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;
- 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.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 3 Investment Valuation and Income Recognition - Continued

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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for investments measured at fair value:

Mutual Funds: Valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market.

Common/Collective Trust: Valued at NAV, as a practical expedient, based on the underlying assets of the trust. The fair value of the underlying assets is obtained from information provided by the investment advisor using the audited financial statements of the common/collective trust at year end. There are no restrictions on redemptions of this investment.

Money Market Fund: Valued at the NAV, as a practical expedient, of shares held by the Plan at year end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 3 Investment Valuation and Income Recognition - Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's investments at fair value as of:

Investments, Fair Value as of December 31, 2018		
	<u>Level 1</u>	<u>Total</u>
Mutual Funds	\$ 16,169,228	\$ 16,169,228
Assets Measured at NAV ^(a)		<u>1,864,128</u>
Total		<u>\$ 18,033,356</u>

Investments, Fair Value as of December 31, 2017		
	<u>Level 1</u>	<u>Total</u>
Mutual Funds	\$ 17,929,155	\$ 17,929,155
Assets Measured at NAV ^(a)		<u>1,761,792</u>
Total		<u>\$ 19,690,947</u>

^(a) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

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

Note 4 Tax Status

The Plan adopted a volume submitter plan document sponsored by Vanguard Fiduciary Trust Company (Vanguard). The volume submitter plan has received an advisory letter from the Internal Revenue Service (IRS), dated March 31, 2014, as to the volume submitter plan's qualified status. The advisory letter has been relied upon by the Plan. The Plan Administrator believes that the Plan is currently designed and operating in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018 AND 2017

Note 5 Certified Information

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Vanguard, has certified to the completeness and accuracy of the investments and notes receivable from participants reflected on the accompanying statements of net assets available for benefits as of December 31, 2018 and 2017, schedule of assets (held at end of year) as of December 31, 2018, and the investment activity (including interest and dividends and net depreciation in fair value of investments) and interest on notes receivable from participants reflected in the statement of changes in net assets available for benefits for the year ended December 31, 2018.

Note 6 Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of termination of the Plan, all participants shall have a 100% nonforfeitable right to the amount credited to their accounts as of such date.

Note 7 Party-in-Interest Transactions

Certain Plan investments are shares of mutual funds, a money market fund and a common/collective trust managed by an affiliate of Vanguard. Vanguard is the trustee of the Plan and, therefore, transactions involving these investments qualify as party-in-interest transactions. Notes receivable from participants also qualify as party-in-interest transactions.

ARNOLD MAGNETIC TECHNOLOGIES CORPORATION EMPLOYEE RETIREMENT SAVINGS PLAN

SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2018 EIN: 20-2368759 Plan Number: 001

<u>Identity of Issue</u>	<u>Description of Investment</u>	<u>Current Value</u>
Mutual Funds		
* Vanguard	Wellington Fund Investor Shares	\$ 3,225,752
* Vanguard	Windsor II Fund Investor Shares	2,054,343
* Vanguard	Small-Cap Index Fund Investor Shares	1,968,902
* Vanguard	500 Index Fund Investor Shares	1,693,931
* Vanguard	Windsor Fund Investor Shares	1,436,381
John Hancock	Bond Fund; Class I	1,271,166
* Vanguard	International Growth Fund Investor Shares	1,131,961
* Vanguard	Morgan Growth Fund Investor Shares	854,872
* Vanguard	Target Retirement 2020 Fund	790,109
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* Vanguard	U.S. Growth Fund Investor Shares	512,644
* Vanguard	Target Retirement 2030 Fund	253,059
* Vanguard	Target Retirement 2035 Fund	88,802
* Vanguard	Target Retirement 2055 Fund	76,524
* Vanguard	Target Retirement Income	65,194
* Vanguard	Mid-Cap Index Fund Investor Shares	63,668
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* Vanguard	Target Retirement 2060 Fund	28,484
* Vanguard	Target Retirement 2050 Fund	26,604
Total Mutual Funds		<u>16,169,228</u>
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* Vanguard	Retirement Savings Trust	<u>1,830,151</u>
Money Market Fund		
* Vanguard	Prime Money Market Fund	<u>33,977</u>
Participant Loans		
* Various	Interest rates ranging from 4.25% to 6.25% and maturity dates ranging from January 2019 through December 2023	<u>290,895</u>
		<u><u>\$ 18,324,251</u></u>

* Denotes Party-In-Interest