

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>12/01/2018</u> and ending <u>11/30/2019</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here. ☒	
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>DETROIT BALL BEARING COMPANY UNION EMPLOYEES' PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	001	
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>APPLIED INDUSTRIAL TECHNOLOGIES, INC.</u> <u>ONE APPLIED PLAZA</u> <u>3301 EUCLID AVENUE</u> <u>CLEVELAND, OH 44115</u>		1c Effective date of plan <u>12/28/1952</u>	
		2b Employer Identification Number (EIN) <u>34-0117420</u>	
		2c Plan Sponsor's telephone number <u>216-426-4000</u>	
		2d Business code (see instructions) <u>423990</u>	

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	08/31/2020	BARB EMERY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	08/31/2020	BARB EMERY
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name APPLIED INDUSTRIAL TECHNOLOGIES c Plan Name DETROIT BALL BEARING COMPANY EMPLOYEES' RETIRMENT PLAN	4b EIN 34-0117420 4d PN 001
5 Total number of participants at the beginning of the plan year	5 113
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) 10 6a(2) 10 6b 51 6c 47 6d 108 6e 5 6f 113 6g 0 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1B 1I b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

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

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

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

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

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

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	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 12/01/2018 and ending 11/30/2019	
A Name of plan DETROIT BALL BEARING COMPANY UNION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 APPLIED INDUSTRIAL TECHNOLOGIES, INC.	D Employer Identification Number (EIN) 34-0117420

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier PRINCIPAL LIFE INSURANCE COMPANY
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(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
42-0127290	61271	533281	113	02/01/2019	11/30/2019

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid 0	(b) Total amount of fees paid 0
--	---

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	0
5 Current value of plan's interest under this contract in separate accounts at year end	5	2962435

6 Contracts With Allocated Funds:**a** State the basis of premium rates ▶

b Premiums paid to carrier.....	6b	
c Premiums due but unpaid at the end of the year.....	6c	
d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. Specify nature of costs ▶	6d	

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity
(3) ☐ other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee
(3) ☐ guaranteed investment (4) ☐ other ▶

b Balance at the end of the previous year.....	7b	
c Additions: (1) Contributions deposited during the year	7c(1)	
(2) Dividends and credits	7c(2)	
(3) Interest credited during the year	7c(3)	
(4) Transferred from separate account.....	7c(4)	
(5) Other (specify below)	7c(5)	
▶		
(6) Total additions.....	7c(6)	
d Total of balance and additions (add lines 7b and 7c(6))	7d	
e Deductions:		
(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	
(2) Administration charge made by carrier	7e(2)	
(3) Transferred to separate account.....	7e(3)	
(4) Other (specify below)	7e(4)	
▶		
(5) Total deductions.....	7e(5)	
f Balance at the end of the current year (subtract line 7e(5) from line 7d)	7f	0

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount	10b	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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For calendar plan year 2018 or fiscal plan year beginning <u>12/01/2018</u> and ending <u>11/30/2019</u>	
▶ Round off amounts to nearest dollar.	
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan <u>DETROIT BALL BEARING COMPANY UNION EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>APPLIED INDUSTRIAL TECHNOLOGIES, INC.</u>	D Employer Identification Number (EIN) <u>34-0117420</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>12</u> Day <u>01</u> Year <u>2018</u>	
2 Assets:	
a Market value.....	2a <u>7987557</u>
b Actuarial value	2b <u>8079202</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>54</u> (2) Vested Funding Target <u>3855980</u> (3) Total Funding Target <u>3855980</u>
b For terminated vested participants	<u>39</u> <u>1417731</u> <u>1417731</u>
c For active participants	<u>19</u> <u>2508219</u> <u>2516876</u>
d Total	<u>112</u> <u>7781930</u> <u>7790587</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>5.63 %</u>
6 Target normal cost	6 <u>56330</u>

Statement by Enrolled Actuary To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.	
SIGN HERE	
Signature of actuary	<u>08/27/2020</u>
<u>AMY L. GENTILE</u>	Date
Type or print name of actuary	<u>20-08186</u>
<u>FINDLEY, INC.</u>	Most recent enrollment number
Firm name	<u>216-875-1900</u>
<u>1660 WEST 2ND STREET, SUITE 900</u> <u>CLEVELAND, OH 44113-1461</u>	Telephone number (including area code)
Address of the firm	

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	612465
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	251003
9 Amount remaining (line 7 minus line 8)	0	361462
10 Interest on line 9 using prior year's actual return of <u>1.68</u> %	0	6073
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		459324
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.86</u> %		12208
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		4217
c Total available at beginning of current plan year to add to prefunding balance		475749
d Portion of (c) to be added to prefunding balance		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	367535

Part III Funding Percentages

14 Funding target attainment percentage	14	98.98%
15 Adjusted funding target attainment percentage	15	103.70%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	90.00%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/05/2019	23685	0			
01/07/2020	500000	0			
Totals ▶			18(b)	523685	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	493146

20 Quarterly contributions and liquidity shortfalls:

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

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

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:

1st segment:

3.92%

2nd segment:

5.52%

3rd segment:

6.29%

☐ N/A, full yield curve used**b** Applicable month (enter code).....**21b**

4

22 Weighted average retirement age**22**

62

23 Mortality table(s) (see instructions)

Prior regulation:

☒

Prescribed - combined

☐

Prescribed - separate

☐

Substitute

Current regulation:

☐

Prescribed - combined

☐

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years**28**

0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)**29**

0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)**30**

0

Part VIII Minimum Required Contribution For Current Year**31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6)**31a**

56330

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

0

32 Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment.....

78920

48937

b Waiver amortization installment

0

0

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

105267

Carryover balance

Prefunding balance

Total balance

35 Balances elected for use to offset funding requirement.....

0

70070

70070

36 Additional cash requirement (line 34 minus line 35).....**36**

35197

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....**37**

493146

38 Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36)**38a**

457949

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances**38b**

0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....**39**

0

40 Unpaid minimum required contributions for all years**40**

0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected☐ 2 plus 7 years☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made☐ 2008☐ 2009☐ 2010☐ 2011

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

For calendar plan year 2018 or fiscal plan year beginning 12/01/2018 and ending 11/30/2019		
A Name of plan DETROIT BALL BEARING COMPANY UNION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 APPLIED INDUSTRIAL TECHNOLOGIES, INC.	D Employer Identification Number (EIN) 34-0117420	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
PRINCIPAL LIFE INSURANCE COMPANY
42-0127290

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

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

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

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

PRINCIPAL LIFE INSURANCE COMPANY

42-0127290

(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?
13 50 64	CONTRACT ADMINISTRATOR	38647	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

FINDLEY

34-1213174

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 13 50	ACTUARY	17795	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PLANTE MORAN PLLC

38-1357951

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	ACCOUNTANT	13300	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:	FINDLEY DAVIES	b EIN:	34-1213174
c Position:	ENROLLED ACTUARY		
d Address:	1660 W. 2ND STREET STE. 900 CLEVELAND, OH 44113	e Telephone:	216-990-6191

Explanation: MOVED SERVICE TO PRINCIPAL.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 12/01/2018 and ending 11/30/2019

A Name of plan <u>DETROIT BALL BEARING COMPANY UNION EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ► <u>001</u>	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>APPLIED INDUSTRIAL TECHNOLOGIES, INC.</u>	D Employer Identification Number (EIN) <u>34-0117420</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LIQUID ASSETS SEP ACCT-Z</u>		
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>		
c EIN-PN <u>42-0127290-024</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LDI SHORT DUR SEP ACCT-Z</u>		
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>		
c EIN-PN <u>42-0127290-127</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1471010</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LDI INTRM DUR SEP ACCT-Z</u>		
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>		
c EIN-PN <u>42-0127290-128</u>	d Entity code <u>P</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1491425</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

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

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

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 12/01/2018 and ending 11/30/2019		
A Name of plan DETROIT BALL BEARING COMPANY UNION EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 APPLIED INDUSTRIAL TECHNOLOGIES, INC.	D Employer Identification Number (EIN) 34-0117420	

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	500000	523685
(2) Participant contributions	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	115914	0
(2) U.S. Government securities	1c(2)	1008531	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	293546	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)	4781265	0
(5) Partnership/joint venture interests	1c(5)	9466	0
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)	0	2962435
(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)	1286113	5717810
(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	7994835	9203930

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	7994835	9203930
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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)	523685	
(B) Participants	2a(1)(B)	0	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		523685
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	47968	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		47968
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	25140	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	46806	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		71946
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		245810
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		756626
c Other income.....	2c		662
d Total income. Add all income amounts in column (b) and enter total	2d		1646697

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	346671	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		346671
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees.....	2i(1)	28595	
(2) Contract administrator fees.....	2i(2)	62336	
(3) Investment advisory and management fees.....	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		90931
j Total expenses. Add all expense amounts in column (b) and enter total	2j		437602

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1209095
l Transfers of assets:			
(1) To this plan.....	2l(1)		0
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: PLANTE & MORAN PLLC

(2) EIN: 38-1357951

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	0
4b		X	0

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	0
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	0
e Was this plan covered by a fidelity bond?	4e	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
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 4210804. (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 12/01/2018 and ending 11/30/2019

A Name of plan <u>DETROIT BALL BEARING COMPANY UNION EMPLOYEES' PENSION 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>APPLIED INDUSTRIAL TECHNOLOGIES, INC.</u>	D Employer Identification Number (EIN) <u>34-0117420</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>42-0127290</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>0</u>

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

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

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

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

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

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

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

Schedule R (Form 5500) 2018
v. 171027

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

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

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

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

b The corresponding number for the second preceding plan year

15a**15b**

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

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

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

16a**16b**

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

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

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

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

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

Stock: _____ % 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):

August 24, 2020

To the Investment and Advisory Committee
Detroit Ball Bearing Company Union
Employees' Retirement Plan

We have audited the financial statements of the Detroit Ball Bearing Company Union Employees' Retirement Plan (the "Plan") as of and for the year ended November 30, 2019 and have issued our report thereon dated August 24, 2020. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility Under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated April 29, 2020, we conducted our audit in accordance with professional standards except that, as permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA and as instructed by you, we did not perform any auditing procedures with respect to certified information except for comparing such information to the related information included in the financial statements. Because of the significance of the information that we did not audit, we did not express an opinion on the financial statements taken as a whole. The form and content of the information included in the financial statements, other than that derived from the certified information, were audited by us in accordance with auditing standards generally accepted in the United States of America and were subjected to tests of your accounting records and other procedures as we considered necessary to enable us to express an opinion as to whether they are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Our audit of the financial statements does not relieve you or management of your responsibilities. As part of our audit, we considered the applicable internal controls of Detroit Ball Bearing Company Union Employees' Retirement Plan. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on May 12, 2020 and follow-up letter dated June 8, 2020.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by Detroit Ball Bearing Company Union Employees' Retirement Plan are described in Note 2 to the financial statements. No significant new accounting policies were adopted, and the application of existing policies was not changed during 2019.

We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus.

We noted no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were the Plan's valuation of investments and actuarial present value of accumulated plan benefits.

Management has informed us that, in determining the appropriateness of the estimate of investment values, they have recorded the fair values based on market values provided by the investment trustee, plus any applicable valuation adjustments. We performed no specific procedures related to the valuation of the investments due to the limited scope nature of the engagement.

Management's estimate of the actuarial present value of accumulated plan benefits is based on certain assumptions pertaining to interest rates, inflation rates, and demographics. We evaluated the key factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Disagreements with Management

For the purpose of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report.

August 24, 2020

We are pleased to report that no such disagreements arose during the course of our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We did not detect any misstatements as a result of audit procedures.

Significant Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards and plans and strategies that may affect the risks of material misstatement, with management each year prior to our retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition of our retention.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 24, 2020.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for other information in documents containing the Plan's financial statements and report does not extend beyond the financial statements. We do not have an obligation to determine whether or not such other information is properly stated. However, we read the Plan's Form 5500 filing, and nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information or manner of its presentation appearing in the financial statements.

This information is intended solely for the use of the investment and advisory committee and management of Detroit Ball Bearing Company Union Employees' Retirement Plan and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Plante & Moran, PLLC



Robert E. Dobrowsky, CPA
Partner

SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

D B C U E '
P P
EIN 34 0117420
PLAN NUMBER 001
PLAN YEAR 12/01/2018 TO 11/30/2019

DESCRIPTION OF ASSET	(A) Total Number of Purchases	(B) Total Number of Sales	(C) Total Value of Purchases	(D) Total Value of Sales	(E) Net Gain/(Loss)
Pooled Separate Accounts PRINCIPAL LDI SHORT DURATION S	6		\$ 1,489,117.23		\$ 0.00
Pooled Separate Accounts PRINCIPAL LDI SHORT DURATION S		5		\$ 64,244.11	\$ 2,040.94
Pooled Separate Accounts PRINCIPAL LDI INTERMEDIATE DUR	5		\$ 1,920,944.59		\$ 0.00
Pooled Separate Accounts PRINCIPAL LDI INTERMEDIATE DUR		1		\$ 628,282.20	\$ 59,106.32

* Schedule is prepared using the alternative way of reporting (iii) series transactions under DOL Regulation 2520.103-6(d)(2).

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

D B B C U E'

EIN 34 0117420
 PLAN NUMBER 001
 PLAN YEAR 12/01/2018 TO 11/30/2019

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
	The American Funds	Registered Investment Company AM FDS EUROPACIFIC GRTH R6 FD	\$ 490,421.19	\$ 546,835.18
	The American Funds	Registered Investment Company AM FDS FNDMTL INV R6 FUND	\$ 247,603.17	\$ 275,886.99
	American Beacon Funds	Registered Investment Company AMER BEACON SMCAP VAL INSTL FD	\$ 176,627.89	\$ 187,569.07
	The American Funds	Registered Investment Company AMERICAN FDS WSHMUT INV R6 FD	\$ 360,282.42	\$ 396,544.10
	Columbia Funds	Registered Investment Company COLUMBIA LRG CP ENH CR I3 FD	\$ 129,159.12	\$ 137,309.67
	Dimensional Fund Advisors	Registered Investment Company DFA GLOBAL 60/40 I FUND	\$ 576,706.68	\$ 619,547.10
	Harbor	Registered Investment Company HARBOR CAPITAL APP RET FUND	\$ 213,086.18	\$ 245,510.30
	JP Morgan Funds	Registered Investment Company JP MORGAN GRW ADVANTAGE R6 FD	\$ 211,094.72	\$ 246,415.37
	JP Morgan Funds	Registered Investment Company JP MORGAN MID CAP VALUE R6 FD	\$ 246,964.43	\$ 271,500.92
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LDI INTRM DUR SEP ACCT-Z	\$ 1,351,768.71	\$ 1,491,425.00
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LDI SHORT DUR SEP ACCT-Z	\$ 1,426,914.06	\$ 1,471,010.44
	Vanguard Group	Registered Investment Company VANGUARD GR & INC ADM FUND	\$ 129,159.12	\$ 137,027.82
	Vanguard Group	Registered Investment Company VANGUARD GROWTH INDEX ADM FUND	\$ 274,125.65	\$ 323,397.83
	Vanguard Group	Registered Investment Company VANGUARD MID CAP INDEX ADM FD	\$ 192,096.16	\$ 215,344.51
	Vanguard Group	Registered Investment Company VANGUARD MIDCAP VAL IDX ADM FD	\$ 165,691.95	\$ 182,498.22

SCHEDULE H, line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

D B B C U E'

EIN 34 0117420
PLAN NUMBER 001
PLAN YEAR 12/01/2018 TO 11/30/2019

(A)	(B) Identity of issuer, borrower, lessor or similar party.	(C) Description of investment including maturity date, rate of interest, collateral, par or maturity value.	(D) Cost	(E) Current Value
	Vanguard Group	Registered Investment Company VANGUARD MIDCP GRTH IDX ADM FD	\$ 232,370.78	\$ 264,806.49
	Vanguard Group	Registered Investment Company VANGUARD SM CAP GR IDX ADM FD	\$ 79,404.28	\$ 89,243.01
	Vanguard Group	Registered Investment Company VANGUARD SM CAP INDEX ADM FUND	\$ 167,024.25	\$ 180,794.66
	Vanguard Group	Registered Investment Company VANGUARD STRAT EQUITY INV FUND	\$ 132,362.94	\$ 144,852.36
	Vanguard Group	Registered Investment Company VANGUARD VALUE INDEX ADM FUND	\$ 548,276.51	\$ 607,281.61
	Vanguard Group	Registered Investment Company VANGUARD 500 INDEX ADMIRAL FD	\$ 246,797.61	\$ 281,771.80
	Vanguard Group	Registered Investment Company VGD TTL INTL STK IDX ADM FD	\$ 343,512.60	\$ 363,672.98

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
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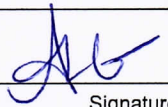
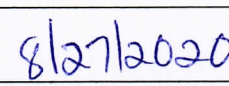
For calendar plan year 2018 or fiscal plan year beginning 12/01/2018 and ending 11/30/2019

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

A Name of plan DETROIT BALL BEARING COMPANY UNION EMPLOYEES' RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF APPLIED INDUSTRIAL TECHNOLOGIES	D Employer Identification Number (EIN) 34-0117420
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I Basic Information			
1 Enter the valuation date: Month 12 Day 01 Year 2018			
2 Assets:			
a Market value.....	2a	7,987,557	
b Actuarial value.....	2b	8,079,202	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	54	3,855,980	3,855,980
b For terminated vested participants.....	39	1,417,731	1,417,731
c For active participants.....	19	2,508,219	2,516,876
d Total.....	112	7,781,930	7,790,587
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	5.63%	
6 Target normal cost.....	6	56,330	

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

SIGN HERE		
AMY L. GENTILE	Signature of actuary	Date 2008186
Type or print name of actuary		Most recent enrollment number 216-875-1900
FINDLEY, INC.		Telephone number (including area code)
Firm name		
1660 WEST 2ND STREET, SUITE 900		
CLEVELAND	OH	44113-1461
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐
For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.
Schedule SB (Form 5500) 2018 v. 171027

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	612,465
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	251,003
9 Amount remaining (line 7 minus line 8).....	0	361,462
10 Interest on line 9 using prior year's actual return of <u>1.68%</u>	0	6,073
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		459,324
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.86%</u>		12,208
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		4,217
c Total available at beginning of current plan year to add to prefunding balance		475,749
d Portion of (c) to be added to prefunding balance.....		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	367,535

Part III Funding Percentages

14 Funding target attainment percentage	14	98.98%
15 Adjusted funding target attainment percentage	15	103.70%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	90.00%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/05/2019	23,685	0			
01/07/2020	500,000	0			
Totals ▶			18(b)	523,685	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	493,146

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

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

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

21 Discount rate:				
a Segment rates:	1st segment: 3.92 %	2nd segment: 5.52 %	3rd segment: 6.29 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	Prior regulation:	☒ Prescribed - combined	☐ Prescribed - separate	☐ Substitute
	Current regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	56,330	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	78,920	48,937	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	105,267	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	70,070	70,070
36 Additional cash requirement (line 34 minus line 35)	36	35,197	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	493,146	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	457,949	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

Detroit Ball Bearing Company Union Employees' Retirement Plan

Financial Report
November 30, 2019

Detroit Ball Bearing Company Union Employees' Retirement Plan

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Independent Auditor's Report

To the Plan Administrator
Detroit Ball Bearing Company
Union Employees' Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Detroit Ball Bearing Company Union Employees' Retirement Plan (the "Plan"), which comprise the statement of net assets available for benefits as of November 30, 2019 and 2018, the related statement of changes in net assets available for benefits for the years then ended, the statement of accumulated plan benefits as of November 30, 2018, and the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Matrix Trust Company and Delaware Charter Guarantee & Trust Company d/b/a Principal Trust Company (collectively, the "Trustees"), except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the Trustees hold the Plan's investment assets and execute related transactions. The plan administrator has obtained certifications from the Trustees as of and for the years ended November 30, 2019 and 2018 that the information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion

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

Other Matter

The supplemental schedules of assets held at end of year as of November 30, 2019 and reportable transactions for the year ended November 30, 2019 are required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on these supplemental schedules.

To the Plan Administrator
Detroit Ball Bearing Company
Union Employees' Retirement Plan

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

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

Plante & Moreau, PLLC

Cleveland, Ohio
August 24, 2020

Detroit Ball Bearing Company Union Employees' Retirement Plan

Statement of Net Assets Available for Benefits

		November 30, 2019 and 2018	
		<u>2019</u>	<u>2018</u>
Assets			
Investments at fair value:			
Short-term investments	\$	-	\$ 115,914
Common stock		-	4,781,265
U.S. government, corporate, and foreign debt securities		-	1,302,077
Mutual funds		5,717,810	1,286,113
Pooled separate accounts		2,962,435	-
Limited partnership		-	9,466
		<u>8,680,245</u>	<u>7,494,835</u>
Total investments at fair value			
		8,680,245	7,494,835
Contributions receivable		<u>523,685</u>	<u>500,000</u>
Net Assets Available for Benefits	\$	<u>9,203,930</u>	<u>\$ 7,994,835</u>

Detroit Ball Bearing Company Union Employees' Retirement Plan

Statement of Changes in Net Assets Available for Benefits

Years Ended November 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Additions to Net Assets		
Contributions	\$ 523,685	\$ 500,000
Investment income:		
Interest and dividends	119,914	173,334
Net realized and unrealized gains on investments	<u>1,002,436</u>	<u>5,052</u>
Total investment income	1,122,350	178,386
Other additions - Other income	<u>662</u>	<u>30</u>
Total additions to net assets	1,646,697	678,416
Deductions from Net Assets		
Benefits paid directly to participants or beneficiaries	346,989	323,171
Administrative expenses	<u>90,613</u>	<u>109,575</u>
Total deductions from net assets	<u>437,602</u>	<u>432,746</u>
Net Increase	1,209,095	245,670
Net Assets Available for Benefits		
Beginning of year	<u>7,994,835</u>	<u>7,749,165</u>
End of year	<u><u>\$ 9,203,930</u></u>	<u><u>\$ 7,994,835</u></u>

Detroit Ball Bearing Company Union Employees' Retirement Plan

Statement of Accumulated Plan Benefits

November 30, 2018

Actuarial Present Value of Accumulated Plan Benefits

Vested benefits:

Participants currently receiving benefit payments	\$ 3,399,613
Inactive participants with deferred benefits	<u>3,326,417</u>

Total vested benefits 6,726,030

Nonvested benefits 10,821

Total Actuarial Present Value of Accumulated Plan Benefits \$ 6,736,851

Detroit Ball Bearing Company Union Employees' Retirement Plan

Statement of Changes in Accumulated Plan Benefits

Year Ended November 30, 2018

Actuarial Present Value of Accumulated Plan Benefits - Beginning of year	\$ 6,897,064
(Decrease) increase during the year attributable to:	
Benefits accumulated	(234,836)
Changes in actuarial assumptions	(73,881)
Interest due to the decrease in the discount period	471,675
Benefits paid	<u>(323,171)</u>
Net decrease	<u>(160,213)</u>
Actuarial Present Value of Accumulated Plan Benefits - End of year	<u>\$ 6,736,851</u>

Detroit Ball Bearing Company Union Employees' Retirement Plan

Notes to Financial Statements

November 30, 2019 and 2018

Note 1 - Plan Description

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

General

The Plan is a defined benefit plan sponsored by Applied Industrial Technologies - DBB, Inc. (the "Company") and collectively bargained with the Truck Drivers Local Union No. 299 affiliated with the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America. The Plan was established on December 28, 1952 and is a noncontributory pension plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Operations

Under a trust agreement, Delaware Charter Guarantee & Trust Company d/b/a Principal Trust Company (Principal) was appointed trustee of the Plan during 2019. Previously, Matrix Trust Company (Matrix) was the trustee of the Plan (collectively, the "Trustees"). In accordance with the powers and duties of the Trustees, as designated by the Company, the Trustees administer the Plan in accordance with the orders of the investment committee and invest the Plan's assets and income, as directed by the Plan's investment manager (UBS Financial Services). Costs of administering the Plan are paid by the Plan or the Company, as determined by the Company, subject to limitations under ERISA. For the years ended November 30, 2019 and 2018, the Plan paid all plan expenses.

Eligibility and Vesting

The Plan was frozen to new participants beginning on February 1, 2014. All employees covered under the terms of the collective bargaining agreement who have completed 480 hours of service, as defined by the Plan, and started with the Company prior to February 1, 2014 are eligible to participate in the Plan. The Plan provides for vesting of accrued benefits as follows:

Vesting Service (Whole Years)	Vesting Percentage
Less than 1	- %
1	10
2	20
3	30
4	40
5	60
6	80
7 or more	100

Pension Benefits

The Plan provides for payment upon normal retirement, early retirement, late retirement, termination, and death of its participants. Normal retirement benefits commence at age 62 and five years of plan participation. Participants who have completed 10 years of service may elect to retire early following the attainment of age 60. In such an event, the participant's monthly benefit shall be reduced by a certain percentage for each month that the participant's early retirement date precedes his or her normal retirement date. Upon termination of employment prior to retirement following at least one year of vested service, a participant is entitled to receive a full retirement benefit commencing at age 62 or in a reduced amount under the early retirement provisions. Death benefits commence at the time the participant would have been eligible for retirement. The monthly benefit is equal to 55 percent of the vested benefit on the date of death.

Detroit Ball Bearing Company Union Employees' Retirement Plan

Notes to Financial Statements

November 30, 2019 and 2018

Note 1 - Plan Description (Continued)

In addition, a participant may alternatively elect the options of a life annuity as follows: 50, 66 2/3, or 100 percent joint and survivor benefit; 5-, 10-, or 15-year certain and continuous benefit; or Social Security level income benefit.

The normal retirement benefit is based on the participant's years of credited service. The number of years of credited service is multiplied by the benefit unit in effect on the participant's last day of employment. One year of credited service is earned for each plan year in which the participant has 2,080 or more hours of service. Partial service is determined by taking hours of service and dividing them by 2,080, rounding to the nearest one-tenth if the total is at least 501 hours. Benefit rates per hour of credited service range from \$23 for individuals retired prior to February 1, 1998 to \$54 for retirements after February 2, 2016. As of February 26, 2018, the Plan was amended to freeze participation and benefit accruals for all employees and participants on and after April 16, 2018.

Funding Policy

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

Party-in-interest Transactions

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

Note 2 - Summary of Significant Accounting Policies

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 6 for further discussion of fair value measurements.

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

Actuarial Present Value of Accumulated Plan Benefits

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

- (a) Retired or terminated employees or their beneficiaries
- (b) Beneficiaries of employees who have died
- (c) Present employees or their beneficiaries

Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits provided via annuity contracts are deducted from plan assets and from accumulated plan benefits.

Detroit Ball Bearing Company Union Employees' Retirement Plan

Notes to Financial Statements

November 30, 2019 and 2018

Note 2 - Summary of Significant Accounting Policies (Continued)

Actuarial Assumptions

The actuarial present value of accumulated plan benefits is determined by an actuary from Findley and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money and probability of payment between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation of the Plan at November 30, 2018 are summarized as follows:

Actuarial cost method	Pure unit credit
Assumed rate of return	7.0 percent per annum
Mortality basis	RP-2014 Blue Collar Mortality Table regressed back to 2007 with the MP-2014 scale and forward based on the MP-2018 scale, converging linearly to the ultimate long-term improvement scale of 10 years reaching that scale in 2028
Assumed retirement age	Age 62

In addition, 75 percent of participants were assumed to be married, with the wife assumed to be three years younger than the husband. Preretirement rates of turnover ranged from 13.02 percent at age 20, decreasing to 3.15 percent at age 50, and 0.0 percent at age 55.

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

Payment of Benefits

Benefits are recorded when paid.

Use of Estimates

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

Risks and Uncertainties

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

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including August 24, 2020, which is the date the financial statements were available to be issued.

Detroit Ball Bearing Company Union Employees' Retirement Plan

Notes to Financial Statements

November 30, 2019 and 2018

Note 3 - Unaudited Information

In 2019, the Plan changed its trustee from Matrix to Principal. The Trustees of the Plan held the Plan's investments and executed all investment transactions during the periods under audit. The investment balances and related investment results included in the accompanying financial statements, supplemental schedule of assets held at end of year, and supplemental schedule of reportable transactions are based solely on information certified by the Trustees.

Note 4 - Plan Termination

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

Note 5 - Tax Status

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

Note 6 - Fair Value Measurements

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

Level 1

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

Level 2

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

Level 3

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset.

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

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

Mutual Funds

Mutual funds are valued at quoted prices reported in active markets.

Detroit Ball Bearing Company Union Employees' Retirement Plan

Notes to Financial Statements

November 30, 2019 and 2018

Note 6 - Fair Value Measurements (Continued)

Common Stock

Common stock is valued at quoted prices reported in active markets.

Pooled Separate Accounts

The pooled separate accounts are valued at net asset value per share or its equivalent of the funds, which is based on the fair value of the funds' net underlying assets. Redemption of each investment is permitted only once every 30 days. These were no unfunded commitments for the pooled separate accounts.

Short-term Investments

The fair value of these investments, which is primarily interest-bearing cash, is based on their outstanding balances.

U.S. Government, Corporate, and Foreign Debt Securities

The U.S. government, corporate, and foreign debt securities are valued using quoted market prices and or other market data for the same or comparable instruments and transactions in establishing the prices, discounted cash flow models, and other pricing models. These models are primarily industry standard models that consider various assumptions, including time value and yield curve, as well as other relevant economic measures.

Limited Partnership

Investments in limited partnerships are valued at quoted prices reported in active markets.

The following tables present information about the Plan's assets measured at fair value on a recurring basis at November 30, 2019 and 2018:

Assets Measured at Fair Value on a Recurring Basis at November 30, 2019				
	Investments (at Fair Value)	Level 1	Level 2	Level 3
Mutual funds	\$ 5,717,810	\$ 5,717,810	\$ -	\$ -
Investments measured at NAV - Pooled separate accounts	2,962,435			
Total investments	<u>\$ 8,680,245</u>			

Assets Measured at Fair Value on a Recurring Basis at November 30, 2018				
	Investments (at Fair Value)	Level 1	Level 2	Level 3
Mutual funds	\$ 1,286,113	\$ 1,286,113	\$ -	\$ -
Common stock	4,781,265	4,781,265	-	-
Short-term investments	115,914	115,914	-	-
U.S. government, corporate, and foreign debt securities	1,302,077	-	1,302,077	-
Limited partnership	9,466	9,466	-	-
Total	7,494,835	<u>\$ 6,192,758</u>	<u>\$ 1,302,077</u>	<u>\$ -</u>
Investments measured at NAV	-			
Total investments	<u>\$ 7,494,835</u>			

Detroit Ball Bearing Company Union Employees' Retirement Plan

Schedule of Assets Held at End of Year

Form 5500, Schedule H, Line 4i

EIN 34-0117420, Plan No. 001

November 30, 2019

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
Mutual funds:			
DFA	DFA Global 60/40 I Fund	\$ 576,707	\$ 619,547
American Beacon	American Beacon SM CAP VAL INSTL FD	176,628	187,569
Columbia	Columbia LRG CP ENH CR I3 FD	129,159	137,310
American Funds	AM FDS Europacific GRTH R6 FD	490,421	546,835
American Funds	AM FDS FNDMTL INV R6 FD	247,603	275,887
Harbor Capital	Harbor Capital APP RET FD	213,086	245,510
JPMorgan	JPMorgan GRW Advantage R6 FD	211,095	246,415
JPMorgan	JPMorgan Mid Cap Value R6 FD	246,964	271,501
Vanguard	Vanguard TTL INTL STK IDX ADM FD	343,513	363,673
Vanguard	Vanguard GR & INC ADM FD	129,159	137,028
Vanguard	Vanguard Mid Cap VAL IDX ADM FD	165,692	182,498
Vanguard	Vanguard SM Cap GR IDX ADM FD	79,404	89,243
Vanguard	Vanguard Mid Cap GR IDX ADM FD	232,371	264,806
Vanguard	Vanguard Strategic Equity INV FD	132,363	144,852
Vanguard	Vanguard Mid Cap Index ADM FD	192,096	215,345
Vanguard	Vanguard Growth Index ADM FD	274,126	323,398
Vanguard	Vanguard Value Index ADM FD	548,277	607,282
Vanguard	Vanguard SM Cap Index ADM FD	167,024	180,795
Vanguard	Vanguard 500 Index Admiral FD	246,798	281,772
American Funds	American Funds WSHMUT INV R6 FD	360,828	396,544
Pooled separate accounts:			
Principal	Principal LDI Interim DUR SEP ACCT-Z	1,351,769	1,491,425
Principal	Principal LDI Short DUR SEP ACCT-Z	1,426,914	1,471,010
Total		<u>\$ 7,941,997</u>	<u>\$ 8,680,245</u>

Detroit Ball Bearing Company Union Employees' Retirement Plan

Schedule of Reportable Transactions

Form 5500, Schedule H, Line 4j
 EIN 34-0117420, Plan No. 001
 Year Ended November 30, 2019

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain
Category (iii) - A series of transactions with respect to securities of the same issue that amount in the aggregate to more than 5 percent of the beginning value of the total plan assets:						
Principal	LDI Short DUR SEP ACCT-Z:					
	Purchases - 6	\$ 1,489,117	\$ -	\$ 1,489,117	\$ 1,489,117	\$ -
	Sales - 5	-	64,244	62,203	64,244	2,041
Principal	LDI Interim DUR SEP ACCT-Z:					
	Purchases - 5	1,920,945	-	1,920,956	1,920,956	-
	Sales - 1	-	628,282	569,176	628,282	59,106
DFA	Global 60/40 I Fund -					
	Purchases - 6	570,751	-	570,751	570,751	-
Vanguard	Value Index ADM FD -					
	Purchases - 6	537,696	-	537,696	537,696	-
American Funds	Europacific GRTH R6 FD -					
	Purchases - 6	489,628	-	489,628	489,628	-

There were no Category (i), (ii), or (iv) reportable transactions during the year.

Schedule SB, line 22 – Description of Weighted Average Retirement Age
Detroit Ball Bearing Company Union Employees' Retirement Plan
December 1, 2018 Valuation
EIN/PN: 34-0117420 / 001

Rates of Retirement 100% at age 62.

Weighted Average Retirement Age is 62. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Appendix B

Statement of Actuarial Assumptions and Methods

Minimum Funding Annual Interest Rates	24-month segment rates averaged through the end of July 2018 and published in August 2018 (as prescribed by IRC 430) and adjusted to reflect BBA: - Segment 1 (0 – 5 years) 3.92% - Segment 2 (5 to 20 years) 5.52% - Segment 3 (more than 20 years) 6.29% - Effective Interest Rate 5.63%
Maximum Deductible Annual Interest Rates	24-month segment rates averaged through the end of July 2018 and published in August 2017 (as prescribed by IRC 430) as follows: - Segment 1 (0 – 5 years) 2.21% - Segment 2 (5 to 20 years) 3.77% - Segment 3 (more than 20 years) 4.45% - Effective Interest Rate 3.92%
Annual Expected Return on Assets	Interest Rate for developing Actuarial Value of Assets; limited to third segment rate 7.00% Rationale: based on information provided by the plan's investment advisor.
PBGC Annual Interest Rates	24-month segment rates averaged through the end of July 2017 and published in August 2018 using the Alternative Method (as prescribed by IRC 430) as follows: - Segment 1 (0 – 5 years) 2.21% - Segment 2 (5 to 20 years) 3.77% - Segment 3 (more than 20 years) 4.45% - Effective Interest Rate 3.92%
Mortality	Funding: RP-2000 static, non-generational Mortality Table as described in Regulation 1.430(h)(3) projected by Scale AA, to between 7 and 15 years beyond the year of the obligation, male and female, with combined rates for annuitants and nonannuitants (as prescribed by IRC 430).
Rates of Retirement	100% at age 62. Weighted Average Retirement Age is 62. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
Detroit Ball Bearing Company Union Employees' Retirement Plan
December 1, 2018 Valuation
EIN/PN: 34-0117420 / 001

Appendix B (Continued)

Rates of Turnover

Based on age as follows:

Attained Age	Rate
20	13.02%
25	9.52
30	7.07
35	5.53
40	4.55
45	3.85
50	3.15
55	0.00

Rates of Disability

1987 Commissioner's Group Disability table, six month elimination period (males and female).

Assumptions Made In Valuing Spouse's Benefit

Seventy-five percent of the employees included in the valuation are assumed to be married. These percentages are used as the probabilities that survivor benefits will be payable due to preretirement deaths. The wife is assumed to be three years younger than the husband.

Survivor Benefit Coverage

All employees with an unknown marital status are assumed to not be married and their accrued benefit is not reduced for survivor benefit coverage.

Optional Form Election

All employees are assumed to elect the life annuity benefit.

Provision for Expenses

The expected administrative (i.e. non-investment) expenses that will be paid from plan assets, which were assumed to equal actual expenses during the prior year, were included in the Target Normal Cost for minimum contribution purposes.

Standing Elections

The client has not signed an election that provides for the automatic use of the Carryover Balance and/or Prefunding Balance if necessary to meet the minimum funding requirement.

Asset Method

Funding: Market Value of Assets plus interest adjusted accrued but unpaid contributions as of the valuation date plus an adjustment to defer full recognition of investment losses and gains over a two-year period. The investment (gain)/loss for every year equals the market value at the beginning of the year projected to the end of the year using the interest rate above, but no greater than the third segment rate for the plan year, minus the end of the year actual market value. The actuarial value of assets will be no less than 90% and no more than 110% of the market value (including interest-adjusted accrued but unpaid contributions). Note that due to the regulatory constraint on the interest rate, a characteristic of this asset valuation method is that, over time, it may be more likely to produce an actuarial value of assets that is less than the market value of assets.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
Detroit Ball Bearing Company Union Employees' Retirement Plan
December 1, 2018 Valuation
EIN/PN: 34-0117420 / 001

Appendix B (Continued)

Funding Method	Pure Unit Credit
Employees Valued	Only participants as of the valuation date were valued.
Changes in Assumptions and Methods since the Last Actuarial Valuation	The interest rates used for determining the funding target were 4.16%, 5.72% and 6.48%. These rates were updated to the rates required for the current plan year. The mortality table for the funding target was changed as required under PPA '06, however the permitted one-year delay in using the generational rates was elected.
Justification for Changes in Actuarial Assumptions	The only assumption changes were to prescribed actuarial assumptions or as a result of At-Risk status. Therefore, the plan did not need IRS approval to change assumptions and there is no need to disclose any "Change in Actuarial Assumptions."

Schedule of Amortization Bases

Shortfall Amortization Bases

Date Established	Present Value of Payments	Remaining Years	Amortization Installment
12/1/2018	\$ (587,212)	7	\$ (95,862)
12/1/2017	78,317	6	14,500
12/1/2016	515,755	5	111,232
12/1/2015	<u>72,060</u>	4	<u>19,067</u>
Total	\$ 78,920		\$ 48,937

Waiver Amortization Bases

Date Established	Present Value of Payments	Remaining Years	Amortization Installment
12/1/2018	\$ <u>0</u>	N/A	\$ <u>0</u>
Total	\$ 0		\$ 0

Schedule SB, Line 26 - Schedule of Active Participant Data

December 1, 2018 Valuation

Detroit Ball Bearing Company Union Employees' Retirement Plan

(EIN: 34-0117420 PN: 001)

Attained Age	Years of Credited Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	-	-	-	-	-	-	-	-	-	-
25 to 29	-	-	-	-	-	-	-	-	-	-
30 to 34	-	-	-	-	-	-	-	-	-	-
35 to 39	-	-	-	-	-	-	-	-	-	-
40 to 44	-	-	-	-	-	-	-	-	-	-
45 to 49	-	-	-	-	-	-	-	-	-	-
50 to 54	-	-	-	1 (*)	1 (*)	-	2 (*)	-	-	-
55 to 59	-	-	-	-	-	-	1 (*)	2 (*)	1 (*)	-
60 to 64	-	-	2 (*)	2 (*)	2 (*)	1 (*)	1 (*)	1 (*)	1 (*)	1 (*)
65 to 69	-	-	-	-	-	-	-	-	-	-
70 & up	-	-	-	-	-	-	-	-	-	-

* Average compensation is not shown since there are fewer than 1,000 active participants in this plan

Schedule SB, Part V – Summary of Plan Provisions
 Detroit Ball Bearing Company Union Employees' Retirement Plan
 December 1, 2018 Valuation
 EIN/PN: 34-0117420 / 001

Appendix A

Summary of Principal Plan Provisions

Plan Sponsor	Applied Industrial Technologies, Inc.
EIN/PN	34-0117420/001
Effective Date	December 28, 1952; restated effective December 1, 2015 and last amended February 26, 2018.
Plan Year	The 12-month period beginning each December 1.
Hour of Service	An hour for which the employee is paid or entitled to payment.
Participation	An employee becomes a participant on the first of the month following completion of 480 Hours of Service. Participation was closed to new entrants effective February 2, 2014. No rehired employees can enter the plan after April 16, 2018.
Vesting Service	One year of vesting service is credited for each Plan Year in which the participant has 1,000 or more Hours of Service. Partial service is not credited for years in which the participant has less than 1,000 Hours of Service.

Benefit Rate	<u>Date of Termination</u>	<u>Benefit Rate</u>
	2/02/1997 - 2/01/1998	\$ 23.00
	2/02/1998 - 2/01/1999	24.00
	2/02/1999 - 2/01/2000	25.00
	2/02/2000 - 2/01/2001	26.00
	2/02/2001 - 2/01/2002	30.00
	2/02/2002 - 2/01/2003	33.00
	2/02/2003 - 6/30/2004	35.00
	7/01/2004 - 2/01/2005	38.00
	2/02/2005 - 2/01/2006	39.00
	2/02/2006 - 2/01/2007	40.00
	2/02/2007 - 2/01/2008	42.00
	2/02/2008 - 1/31/2010	44.00
	2/01/2010 - 2/01/2012	45.00
	2/02/2012 - 2/01/2013	47.00
	2/02/2013 - 2/01/2014	48.00
	2/02/2014 - 2/01/2015	50.00
	2/02/2015 - 2/01/2016	52.00
	2/02/2016 and After	54.00

Appendix A (Continued)

Credited Service

One year of credited service is credited for each Plan Year in which the participant has 2,080 or more Hours of Service. Partial service is credited for years in which the participant has less than 2,080 Hours of Service. Such partial service is determined by taking Hours of Service and dividing them by 2,080, rounding to the nearest 1/10th if at least 501 hours.

Effective April 16, 2018, credited service is frozen for all participants.

Accrued Benefit

A monthly life annuity equal to the participant's years of Credited Service times the applicable Benefit Rate reduced by .25% for each full or partial year in which the participant was eligible for survivor benefit coverage and did not waive said coverage.

Effective April 16, 2018, the Accrued Benefit is frozen for all participants.

Vested Benefit

The Accrued Benefit multiplied by the applicable vesting percentage as defined below:

<u>Years of Vesting Service</u>	<u>Percentage</u>
Less Than 1	0 %
1	10
2	20
3	30
4	40
5	60
6	80
7 or more	100

Normal Retirement Benefit

Eligibility:

Age 62 and 5 years of plan participation.

Monthly Benefit:

The Accrued Benefit.

Early Retirement Benefit

Eligibility:

Age 60 and 10 years of Vesting Service.

Monthly Benefit:

The Accrued Benefit at early retirement reduced by 5/9 of 1% for each month retirement precedes age 62.

Appendix A (Continued)

Termination Benefit

Eligibility:

Upon termination of employment prior to retirement after completion of at least one year of Vesting Service.

Monthly Benefit:

The Vested Benefit commences in full at age 62, or in a reduced amount under the early retirement provisions if eligible.

Late Retirement Benefit

Eligibility:

Retirement after age 62.

Monthly Benefit:

The greater of the Accrued Benefit at the participant's Late Retirement Date and the Accrued Benefit at the participant's Normal Retirement Date actuarially increased.

Death Benefit

Eligibility:

One Year of Vesting Service, married for at least one year, and coverage was not waived.

Monthly Benefit:

A benefit commencing at the time the participant would have been eligible for retirement. The benefit is equal to 55% of the Vested Benefit on the date of death, adjusted as appropriate for early commencement and the 55% Joint and Survivor Annuity form of payment.

Benefits Available as Lump Sums

This plan pays only small benefit amounts (lump sums less than \$1,000).

Optional Forms Of Payment

Life Annuity
50%, 55%, 66 2/3%, 75%, Or 100% Joint and Survivor
5, 10, or 15 Year Certain and Continuous
Social Security Level Income

Optional form conversion factors are based on 1994 GAR mortality table and 7.0% interest.

Schedule SB, Part V – Summary of Plan Provisions
Detroit Ball Bearing Company Union Employees' Retirement Plan
December 1, 2018 Valuation
EIN/PN: 34-0117420 / 001

Appendix A (Continued)

Maximum Benefit Limit	The Internal Revenue Code Section 415 Maximum Benefit payable as a life annuity at Social Security Normal Retirement Age.
Changes in Plan Provisions	Accruals were frozen effective April 16, 2018 for all participants.