

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 2019 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2019 or fiscal plan year beginning <u>12/01/2019</u> and ending <u>11/30/2020</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) ▶	<u>001</u>	
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>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.	09/07/2021	BARB EMERY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/07/2021	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

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3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 113
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) 8 6a(2) 8 6b 54 6c 44 6d 106 6e 6 6f 112 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
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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 2019 Form M-1 annual report. If the plan was not required to file the 2019 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 2019 This Form is Open to Public Inspection
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For calendar plan year 2019 or fiscal plan year beginning 12/01/2019 and ending 11/30/2020		
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	112	12/01/2019	11/30/2020

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	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
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(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	

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(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	6317626

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 2019 This Form is Open to Public Inspection
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For calendar plan year 2019 or fiscal plan year beginning 12/01/2019 and ending 11/30/2020

▶ **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>2019</u>	
2 Assets:	
a Market value	2a <u>9201155</u>
b Actuarial value	2b <u>9023621</u>
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.....	<u>56</u> <u>4151426</u> <u>4151426</u>
b For terminated vested participants.....	<u>41</u> <u>1834319</u> <u>1834319</u>
c For active participants	<u>16</u> <u>2551368</u> <u>2565093</u>
d Total.....	<u>113</u> <u>8537113</u> <u>8550838</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>5.46</u> %
6 Target normal cost.....	6 <u>90000</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>09/01/2021</u>
<u>MICHAEL A. CARLSON</u>	Date
Type or print name of actuary	<u>20-05860</u>
<u>PRINCIPAL FINANCIAL GROUP</u>	Most recent enrollment number
Firm name	<u>412-394-9331</u>
<u>PO BOX 9394</u> <u>DES MOINES, IA 50306-9394</u>	Telephone number (including area code)
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) 2019
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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	367535
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	6774
9 Amount remaining (line 7 minus line 8)	0	360761
10 Interest on line 9 using prior year's actual return of <u>7.73</u> %	0	27887
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		391422
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>5.63</u> %		21664
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		512
c Total available at beginning of current plan year to add to prefunding balance		413598
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	388648

Part III Funding Percentages		
14 Funding target attainment percentage	14	100.98 %
15 Adjusted funding target attainment percentage	15	105.52 %
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	98.98 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/08/2020	1320	0			
10/26/2020	500000	0			
Totals ▶			18(b)	501320	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	477866
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
0	0	0
		(4) 4th 0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
3.74 %2nd segment:
5.35 %3rd segment:
6.11 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b**

4

22 Weighted average retirement age**22**

63

23 Mortality table(s) (see instructions) ☒

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** 90000**b** Excess assets, if applicable, but not greater than line 31a **31b** 84135**32** Amortization installments:**a** Net shortfall amortization installment Outstanding Balance 0 Installment 0**b** Waiver amortization installment 0 0**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) **34** 5865

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

36 Additional cash requirement (line 34 minus line 35) **36** 5865**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 477866**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) **38a** 472001**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
		2019
		This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 12/01/2019 and ending 11/30/2020		
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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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	38796	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

UBS FINANCIAL SERVICES

13-2638166

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 50	INVESTMENT ADVISORY	15200	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	15750	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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 2019 This Form is Open to Public Inspection.
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For calendar plan year 2019 or fiscal plan year beginning 12/01/2019 and ending 11/30/2020

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)
---------------	--

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>61329</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>PRIN LDI LONG DURATION SA-Z</u>		
b Name of sponsor of entity listed in (a): <u>PRINCIPAL LIFE INSURANCE COMPANY</u>		
c EIN-PN <u>42-0127290-104</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>3796559</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>0</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>2459738</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)

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 2019 This Form is Open to Public Inspection
For calendar plan year 2019 or fiscal plan year beginning <u>12/01/2019</u> and ending <u>11/30/2020</u>		
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	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions.....	1b(1)	523685	0
	(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)		
	(2) U.S. Government securities	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common.....	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property).....	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans.....	1c(8)		
	(9) Value of interest in common/collective trusts	1c(9)		
	(10) Value of interest in pooled separate accounts	1c(10)	2962435	6317626
	(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)	5717810	4098817
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	9203930 10416443
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
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	9203930 10416443

Part II Income and Expense Statement

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

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	501320
	(B) Participants	2a(1)(B)	0
	(C) Others (including rollovers)	2a(1)(C)	0
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	501320
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0
	(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)	0
(2)	Dividends: (A) Preferred stock	2b(2)(A)	0
	(B) Common stock	2b(2)(B)	0
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	78214
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	78214
(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)		467535
(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)		604462
c Other income	2c		140
d Total income. Add all income amounts in column (b) and enter total	2d		1651671

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	365208	
(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)		365208
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	19954	
(2) Contract administrator fees	2i(2)	38796	
(3) Investment advisory and management fees	2i(3)	15200	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		73950
j Total expenses. Add all expense amounts in column (b) and enter total	2j		439158

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		1212513
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) ☐ Unmodified (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 4298145. (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 2019 This Form is Open to Public Inspection.
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For calendar plan year 2019 or fiscal plan year beginning 12/01/2019 and ending 11/30/2020

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) 2019
v. 190130

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): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

- a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No

- b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

Detroit Ball Bearing Company Union Employees' Retirement Plan

Financial Report
November 30, 2020

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, 2020 and 2019, 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, 2019, 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, 2020 and 2019 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, 2020 and reportable transactions for the year ended November 30, 2020 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 & Morse, PLLC

Cleveland, Ohio
August 27, 2021

Detroit Ball Bearing Company Union Employees' Retirement Plan

Statement of Net Assets Available for Benefits

	November 30, 2020 and 2019	
	<u>2020</u>	<u>2019</u>
Assets		
Investments at fair value:		
Mutual funds	\$ 4,098,817	\$ 5,717,810
Pooled separate accounts	<u>6,317,626</u>	<u>2,962,435</u>
Total investments at fair value	10,416,443	8,680,245
Contributions receivable	<u>-</u>	<u>523,685</u>
Net Assets Available for Benefits	<u>\$ 10,416,443</u>	<u>\$ 9,203,930</u>

Detroit Ball Bearing Company Union Employees' Retirement Plan**Statement of Changes in Net Assets Available for Benefits****Years Ended November 30, 2020 and 2019**

	2020	2019
Additions		
Contributions	\$ 501,460	\$ 523,685
Investment income:		
Interest and dividends	78,214	119,914
Net realized and unrealized gains on investments	1,071,997	1,002,436
Total investment income	1,150,211	1,122,350
Other additions - Other income	-	662
Total additions	1,651,671	1,646,697
Deductions		
Benefits paid directly to participants or beneficiaries	365,208	346,989
Administrative expenses	73,950	90,613
Total deductions	439,158	437,602
Net Increase	1,212,513	1,209,095
Net Assets Available for Benefits		
Beginning of year	9,203,930	7,994,835
End of year	<u>\$ 10,416,443</u>	<u>\$ 9,203,930</u>

Detroit Ball Bearing Company Union Employees' Retirement Plan

Statement of Accumulated Plan Benefits

November 30, 2019

Actuarial Present Value of Accumulated Plan Benefits

Vested benefits:

Participants currently receiving benefit payments	\$ 4,150,039
Inactive participants with deferred benefits	1,903,560
Active participants with deferred benefits	<u>2,617,167</u>
Total vested benefits	8,670,766

Nonvested benefits	<u>14,140</u>
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Total Actuarial Present Value of Accumulated Plan Benefits	<u>\$ 8,684,906</u>
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Detroit Ball Bearing Company Union Employees' Retirement Plan

Statement of Changes in Accumulated Plan Benefits

Year Ended November 30, 2019

Actuarial Present Value of Accumulated Plan Benefits - Beginning of year	\$ 6,736,851
Increase (decrease) during the year attributable to:	
Benefits accumulated	336,639
Changes in actuarial assumptions	1,498,765
Interest due to the decrease in the discount period	459,640
Benefits paid	<u>(346,989)</u>
Net increase	<u>1,948,055</u>
Actuarial Present Value of Accumulated Plan Benefits - End of year	<u>\$ 8,684,906</u>

Detroit Ball Bearing Company Union Employees' Retirement Plan

Notes to Financial Statements

November 30, 2020 and 2019

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, 2020 and 2019, 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:

<u>Vesting Service (Whole Years)</u>	<u>Vesting Percentage</u>
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, 2020 and 2019

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, 2020 and 2019

Note 2 - Summary of Significant Accounting Policies (Continued)

Actuarial Assumptions

The actuarial present value of accumulated plan benefits is determined by an actuary from Principal 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, 2019 are summarized as follows:

Actuarial cost method	Unit credit
Assumed rate of return	5.25 percent per annum
Mortality basis	Pri-2012 Blue Collar Mortality Table projected generationally using MP-2019.
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.

The increase in actuarial present value of accumulated plan benefits due to changes in actuarial assumptions relates to changes in the discount rate from 7.00 percent to 5.25 percent and changes in the mortality tables used from the 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 to a Pri-2012 Blue Collar Mortality Table projected generationally using MP-2019.

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.

Detroit Ball Bearing Company Union Employees' Retirement Plan

Notes to Financial Statements

November 30, 2020 and 2019

Note 2 - Summary of Significant Accounting Policies (Continued)

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including August 27, 2021, which is the date the financial statements were available to be issued.

Note 3 - Unaudited Information

Matrix Trust Company and Delaware Charter Guarantee & Trust Company d/b/a Principal Trust Company hold the Plan's investments and execute 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.

Detroit Ball Bearing Company Union Employees' Retirement Plan

Notes to Financial Statements

November 30, 2020 and 2019

Note 6 - Fair Value Measurements (Continued)

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.

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. There were no unfunded commitments for the pooled separate accounts.

		Assets Measured at Fair Value on a Recurring Basis at November 30, 2020	
		Investments (at Fair Value)	Level 1
Mutual funds		\$ 4,098,817	\$ 4,098,817
Investments measured at NAV - Pooled separate accounts		6,317,626	
Total investments		<u>\$ 10,416,443</u>	

		Assets Measured at Fair Value on a Recurring Basis at November 30, 2019	
		Investments (at Fair Value)	Level 1
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>	

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, 2020

(a)(b) Identity of Issuer	(c) Description of Investment	(d) Cost	(e) Current Value
Mutual funds:			
American Beacon	American Beacon SM CAP VAL INSTL FD	\$ 46,177	\$ 51,462
Columbia	Columbia LRG CP ENH CR I3 FD	218,719	241,719
American Funds	AM FDS Europacific GRTH R6 FD	457,503	569,849
American Funds	AM FDS FNDMTL INV R6 FD	91,457	105,012
Harbor Capital	Harbor Capital APP RET FD	74,003	107,057
JPMorgan	JPMorgan GRW Advantage R6 FD	72,907	106,358
JPMorgan	JPMorgan Mid Cap Value R6 FD	140,379	154,508
Vanguard	Vanguard TTL INTL STK IDX ADM FD	322,723	363,976
Vanguard	Vanguard GR & INC ADM FD	217,178	242,277
Vanguard	Vanguard Mid Cap VAL IDX ADM FD	167,856	186,415
Vanguard	Vanguard SM Cap GR IDX ADM FD	7,734	10,487
Vanguard	Vanguard Mid Cap GR IDX ADM FD	130,132	159,585
Vanguard	Vanguard Strategic Equity INV FD	181,257	207,905
Vanguard	Vanguard Mid Cap Index ADM FD	152,200	189,062
Vanguard	Vanguard Growth Index ADM FD	74,963	106,456
Vanguard	Vanguard Value Index ADM FD	380,039	416,771
Vanguard	Vanguard SM Cap Index ADM FD	43,316	51,952
Vanguard	Vanguard 500 Index Admiral FD	259,816	315,613
American Funds	American Funds WSHMUT INV R6 FD	422,851	470,271
Baron	Baron Discovery FD	21,461	21,042
Victory	Victory RS SM Cap GR FD	20,778	21,040
Pooled separate accounts:			
Principal Trust	Principal LDI Interim DUR SEP ACCT-Z	2,213,178	2,459,737
Principal Trust	Principal LDI Long DUR SA-Z	3,521,931	3,796,560
Principal Global	Principal Liquid Assets Separate Account-Z	61,339	61,329
Total		<u>\$ 9,299,897</u>	<u>\$ 10,416,443</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, 2020

(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
Principal	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 Sales - 12	\$ 165,532 \$ -	- \$ 1,661,467	\$ 165,532 \$ 1,592,446	\$ 165,532 \$ 1,661,467	\$ - \$ 69,021
Principal	Principal Interim DUR SA-Z: Purchases - 8 Sales - 2	1,055,699 -	- 245,817	1,055,699 219,648	1,055,699 245,817	- 26,169
Principal	LDI Long DUR SEP ACCT-Z: Purchases - 3 Sales - 14	3,767,906 -	- 255,499	3,767,906 246,321	3,767,906 255,499	- 9,178
DFA	Global 60/40 I Fund: Purchases - 8 Sales - 3	82,235 -	- 710,036	82,235 658,941	82,235 710,036	- 51,095
Principal	Principal Liquid Assets Separate Account-Z: Purchases - 12 Sales - 26	327,170 -	- 265,867	327,170 265,837	327,170 265,867	- 30
American Funds	AM FDS Europacific GRTH R6 FD: Purchases - 10 Sales - 2	271,114 -	- 347,064	271,114 306,849	271,114 347,064	- 40,215

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

D B C U E'

P P

EIN 34 0117420

PLAN NUMBER 001

PLAN YEAR 12/01/2019 TO 11/30/2020

SCHEDULE H, line 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

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		\$ 165,531.88		\$ 0.00
Pooled Separate Accounts PRINCIPAL LDI SHORT DURATION S		12		\$ 1,661,467.12	\$ 69,021.18
Pooled Separate Accounts PRINCIPAL LIQUID ASSETS SEPARA	12		\$ 327,169.69		\$ 0.00
Pooled Separate Accounts PRINCIPAL LIQUID ASSETS SEPARA		26		\$ 265,867.30	\$ 30.15
Pooled Separate Accounts PRINCIPAL LDI INTERMEDIATE DUR	8		\$ 1,055,698.81		\$ 0.00
Pooled Separate Accounts PRINCIPAL LDI INTERMEDIATE DUR		2		\$ 245,817.32	\$ 26,169.64
Pooled Separate Accounts PRINCIPAL LDI LONG DURATION SE	3		\$ 3,767,905.62		\$ 0.00
Pooled Separate Accounts PRINCIPAL LDI LONG DURATION SE		14		\$ 255,499.23	\$ 9,178.23
Registered Investment Company DFA GLOBAL 60/40 I FUND	8		\$ 82,234.54		\$ 0.00
Registered Investment Company DFA GLOBAL 60/40 I FUND		3		\$ 710,035.50	\$ 51,094.28
Registered Investment Company AMERICAN FUNDS EURO PACIFIC GR	10		\$ 271,114.09		\$ 0.00
Registered Investment Company AMERICAN FUNDS EURO PACIFIC GR		2		\$ 347,063.71	\$ 40,214.37

* 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)

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 12/01/2019 TO 11/30/2020

(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 EURO PACIFIC GRTH R6 FD	\$ 454,685.94	\$ 569,848.94
	The American Funds	Registered Investment Company AM FDS FNDMTL INV R6 FUND	\$ 91,540.69	\$ 105,012.03
	American Beacon Funds	Registered Investment Company AMER BEACON SMCAP VAL R5 FD	\$ 47,479.44	\$ 51,462.55
	The American Funds	Registered Investment Company AMERICAN FDS WSHMUT INV R6 FD	\$ 423,898.87	\$ 470,271.36
	Baron	Registered Investment Company BARON DISCOVERY R6 FUND	\$ 21,461.05	\$ 21,042.25
	Columbia Funds	Registered Investment Company COLUMBIA LRG CP ENH CR I3 FD	\$ 219,386.17	\$ 241,719.18
	Harbor	Registered Investment Company HARBOR CAPITAL APP RET FUND	\$ 72,086.18	\$ 107,056.90
	JP Morgan Funds	Registered Investment Company JP MORGAN GRW ADVANTAGE R6 FD	\$ 71,051.16	\$ 106,357.82
	JP Morgan Funds	Registered Investment Company JP MORGAN MID CAP VALUE R6 FD	\$ 142,495.96	\$ 154,507.64
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LDI INTRM DUR SEP ACCT-Z	\$ 2,187,819.84	\$ 2,459,737.54
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LDI LONG DURATION SA-Z	\$ 3,521,584.62	\$ 3,796,559.29
*	Principal Life Insurance Company	Pooled Separate Accounts PRIN LIQUID ASSETS SEP ACCT-Z	\$ 61,332.54	\$ 61,328.90
	Vanguard Group	Registered Investment Company VANGUARD GR & INC ADM FUND	\$ 217,349.17	\$ 242,277.94
	Vanguard Group	Registered Investment Company VANGUARD GROWTH INDEX ADM FUND	\$ 72,104.81	\$ 106,456.15
	Vanguard Group	Registered Investment Company VANGUARD MID CAP INDEX ADM FD	\$ 151,960.59	\$ 189,062.21

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 12/01/2019 TO 11/30/2020

(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 MIDCAP VAL IDX ADM FD	\$ 169,528.68	\$ 186,415.07
	Vanguard Group	Registered Investment Company VANGUARD MIDCP GRTH IDX ADM FD	\$ 128,486.26	\$ 159,584.68
	Vanguard Group	Registered Investment Company VANGUARD SM CAP GR IDX ADM FD	\$ 7,650.39	\$ 10,486.89
	Vanguard Group	Registered Investment Company VANGUARD SM CAP INDEX ADM FUND	\$ 43,612.69	\$ 51,952.14
	Vanguard Group	Registered Investment Company VANGUARD STRAT EQUITY INV FUND	\$ 182,282.64	\$ 207,905.16
	Vanguard Group	Registered Investment Company VANGUARD VALUE INDEX ADM FUND	\$ 383,866.05	\$ 416,770.82
	Vanguard Group	Registered Investment Company VANGUARD 500 INDEX ADMIRAL FD	\$ 257,320.98	\$ 315,614.18
	Vanguard Group	Registered Investment Company VGD TTL INTL STK IDX ADM FD	\$ 323,864.30	\$ 363,975.88
	Victory Funds	Registered Investment Company VICTORY RS SM CAP GROWTH R6 FD	\$ 20,778.47	\$ 21,037.02

Schedule SB, Line 26 - Schedule of Active Participant Data
 Detroit Ball Bearing Company Union Employees' Pension Plan
 EIN 34-0117420 Plan No. 001

Form 5500 - Schedule of Active Participation Data							Valuation Date 12/01/2019			
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
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Under 25	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	0	0	0	0
40 to 44	0	0	0	0	0	0	0	0	0	0
45 to 49	0	0	0	0	0	0	0	0	0	0
50 to 54	0	0	0	1	1	0	2	0	0	0
55 to 59	0	0	0	0	0	0	0	1	1	0
60 to 64	0	0	1	2	1	0	2	2	1	1
65 to 69	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	0	0	0	0	0	0	0

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods
Detroit Ball Bearing Company Union Employees' Pension Plan
EIN 34-0117420 Plan No. 001

Assumptions prescribed by law

Mortality	<u>During benefit payment period</u> IRS Prescribed Mortality - Optional Combined Table for Small Plans, male and female.
	<u>Before benefit payment period</u> IRS Prescribed Mortality - Optional Combined Table for Small Plans, male and female.

Assumptions selected by actuary

Inflation	2.25% increase per year.
	See Long-Term Capital Market Assumptions link.
Asset return	5.25% for the current plan year.
	The asset return is developed as a weighted average rate based on the target asset allocation of the plan and the long-term capital market assumptions. The calculated return is on an arithmetic mean basis. For details, see the See Long-Term Capital Market Assumptions link.
Expected expense	The expected expense included in target normal cost is an estimate based on prior year expenses paid from plan assets. This is the best estimate available of upcoming year's expenses.
Retirement	Active and inactive participants are assumed to retire at Normal Retirement Age as defined in <u>Plan provisions</u> .
	This assumption is based on the results of recent experience analysis and anticipated future experience.
Disability	1987 Commissioner's Group Disability Table, six month elimination period, male and female.
	We rely on a publicly published table due to the limited size of the plan. The 1987 CGDT was recommended by the Society of Actuaries for pension valuation purposes.
Marriage	75% married; husbands are 3 years older than wives.
	This assumption does not have material impact on the results of this report and has been selected based on our best estimate of active workforce.

Withdrawal

Selected rates of withdrawal are shown below:

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

Form of benefit

Participants are assumed to receive their benefits on the normal form at the assumed retirement age.

Methods prescribed by law

Liability measure

Funding target is the present value of the benefits accrued on the valuation date. Included in Funding Target is the value of any missed required minimum distributions (defined in IRC §401(a)(9) and Treasury Regulation §1.401(a)(9)), equal to back payments with interest at 7.00%.

Target normal cost is based on benefits expected to accrue during the current plan year and includes an estimate of plan expenses for the year.

HCE benefit payment restrictions

A ratio of the plan assets and accrued liability is used to determine if restrictions apply. Assets and accrued liability are as of the valuation date and are reduced by:

- any retiree benefit index or floor
- amounts for HCEs who were previously restricted
- an amount for the retiring HCE

The estimated HCE ratio illustrated in this report is based on the market value of plan assets (excluding late deposits) and funding target as of the valuation date. The funding target uses the non-stabilized interest rates as defined in IRC §430(h)(2)(C)(iv). Other assumptions or methods could be used.

Methods selected by plan sponsor

Asset method

The asset valuation method is prescribed by law for plans that elect to use a value other than market value.

For each of the preceding two years, an expected value of assets at the end of the year is compared to the end of year market value. The resulting gain or loss is recognized evenly over three plan years.

The expected value includes contributions, distributions, any deducted administrative expenses, and expected earnings (based on the lesser of the assumed interest rate or the maximum allowable rate). The deferred gains and losses are added to the current market value and then restricted to no more than 110% and no less than 90% of that market value.

When actual returns exceed the assumed return, the actuarial value of assets will lag below market value. The lag and the smoothing effect are limited since the value must be within 10% of market value.

Segment rates

24-month average with no weighting to prior law basis. Use rates where July is the last month included in the average.

PBGC premium basis

Variable Rate Premiums are calculated using census, market value of assets and interest rates in effect on the current valuation date. Interest rates are the 24-month average rates used for annual cost but without the interest rate corridor defined in IRC §430(h)(2)(C)(iv). The Alternative interest method must be used for five years before a change can be made. If your plan is defined as small by the PBGC in a later year, you've already elected to calculate premiums using census, assets and interest in effect on the current valuation date.

Methods elected by actuary

Retirees

Assets and liabilities for current and future retirees are included.

Vested benefits

A benefit is included in vested benefits if it meets the requirements under PBGC. The benefit is multiplied by the participant's vesting percentage applicable to each benefit on the valuation date.

The following ancillary benefits are always treated as nonvested: disability benefits payable to retirement age unless in pay status, pre-retirement death benefits in excess of the survivor annuity death benefit and post retirement death benefits for non-retired participants except as noted in the Plan provisions.

Assumptions and methods elected by actuary - plan accounting (ASC 960)

With the exceptions below, all assumptions and methods are the same as those used in determining your plan's regular funding target and target normal cost.

Mortality

Based on Pri-2012 Blue collar base rate mortality table projected generationally using MP-2019.

Base rates

Before benefit payment period

Employee amount-weighted, male and female

During benefit payment period

Retiree amount-weighted, male and female

The Society of Actuaries (SOA) is an actuarial organization that periodically reviews mortality data and publishes mortality tables and improvement scales. In October 2019, the SOA released the Pri-2012 Mortality Tables for private-sector retirement plans in the U.S. The Pri-2012 report contains different sets of mortality tables based on complete dataset or various subsets. The Blue collar base rate table was selected based on information provided by the plan sponsor.

Pri-2012 section 12.4. provided three approaches for designated beneficiaries in the calculation of joint-and-survivor annuities. We believe "Approach 1" is reasonable for this plan and has been selected due to data limitations in identifying contingent survivors. In addition, we believe beneficiary mortality isn't materially different while both participants are alive.

Mortality improvement (MI)

MP-2019 is the most recent improvement scale published by the SOA in October 2019.

Interest rate used to value liabilities

5.00%

The interest rate used to value ASC 960 liabilities is developed as long-term expected geometric return on plan assets. Arithmetic expected return is calculated as the weighted average of broad asset classes' arithmetic returns of the plan's target asset allocation, and then converted to the geometric under lognormal distribution assumption. For details, see Long-Term Capital Market Assumptions link.

Treatment of administrative expenses

No adjustments are made for administrative expenses, either through a reduction in the discount rate or by calculating a present value of future expenses.

Plan sponsors may change their administrative expense handling at any time. Our approach provides consistent handling of ASC 960 liabilities from year to year, whether expenses are paid with plan assets or directly by the employer.

Note - expenses paid with plan assets are required to be included in funding normal cost. As a result, the plan is reimbursed annually through required funding. Exception – contributions are not required due to assets sufficiently in excess of liabilities to fund both expenses and normal cost. In this case, administrative expenses are taken from the excess assets.

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 2019 This Form is Open to Public Inspection
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For calendar plan year 2019 or fiscal plan year beginning 12/01/2019 and ending 11/30/2020

► **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>2019</u>		
2	Assets:		
	a Market value	2a	<u>9201155</u>
	b Actuarial value	2b	<u>9023621</u>
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment.....	<u>56</u>	<u>4151426</u>
	b For terminated vested participants.....	<u>41</u>	<u>1834319</u>
	c For active participants	<u>16</u>	<u>2551368</u>
	d Total.....	<u>113</u>	<u>8537113</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>5.46</u> %
6	Target normal cost.....	6	<u>90000</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>Michael A. Carlson</u> Type or print name of actuary <u>Principal Financial Group</u> Firm name <u>PO Box 9394 Des Moines, IA 50306-9394</u> Address of the firm	<u>09/01/2021</u> Date <u>2005860</u> Most recent enrollment number <u>412-394-9331</u> Telephone number (including area code)
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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) 2019
v. 190130**

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	367535
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	6774
9 Amount remaining (line 7 minus line 8)	0	360761
10 Interest on line 9 using prior year's actual return of <u>7.73</u> %	0	27887
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		391422
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>5.63</u> %		21664
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		512
c Total available at beginning of current plan year to add to prefunding balance		413598
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	388648

Part III Funding Percentages

14 Funding target attainment percentage	14	100.98 %
15 Adjusted funding target attainment percentage	15	105.52 %
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	98.98 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
09/08/2020	1320	0			
10/26/2020	500000	0			
Totals ▶			18(b)	501320	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	477866

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: 3.74 %	2nd segment: 5.35 %	3rd segment: 6.11 % ☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute			

Part VI	Miscellaneous Items
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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
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31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	90000	
b Excess assets, if applicable, but not greater than line 31a	31b	84135	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	5865	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	5865	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	477866	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	472001	
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)
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41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

Schedule SB, Line 2a - Explanation of Assets
Detroit Ball Bearing Company Union Employees' Pension Plan
EIN 34-0117420 Plan No. 001

The market value of assets on line 2a does not equal assets shown on Schedule H, Schedule I or Form 5500-SF. Schedule H, Schedule I and Form 5500-SF use the full value of contributions received after plan year end. Line 2a includes the value of \$523,685 contributions received after the plan year end with a discounted value of \$520,910.

Schedule SB, Line 22 - Description of Weighted Average Retirement Age
 Detroit Ball Bearing Company Union Employees' Pension Plan
 EIN 34-0117420 Plan No. 001

Active participants are expected to retire at the plan's assumed retirement age. The retirement rate reflects only those participants who meet retirement eligibility. An active participant working past assumed retirement age is expected to retire at current age.

(1) Age	(2) Expected Active Headcount	(3) Retirement Rate	(4) Expected Retirements (2)*(3)	(5) Weighted Age (1)*(4)
62	9.1876	1.0000	9.1876	569.6303
63	2.0000	1.0000	2.0000	126.0000
64	4.0000	1.0000	4.0000	256.0000
Total			15.1876	951.6303
Average				62.66

Schedule SB, Part V - Summary of Plan Provisions
Detroit Ball Bearing Company Union Employees' Pension Plan
EIN 34-0117420 Plan No. 001

This report reflects the maximum benefit limits under Internal Revenue Code (IRC) Section 415 and maximum compensation limits under IRC Section 401 in effect on the first day of each plan year. The following is a summary of plan provisions and does not alter the intent or meanings of the provisions contained in the contract or plan document. This report reflects the provisions of the 12/01/2015 restated plan and the amendments through #3 signed on 02/26/2018.

Plan eligibility

Service	An employee becomes a participant on the first of the month following completion of 480 hours of service.
Class	Any Employee of the Employer excluding the following: Not represented for collective bargaining purposes by Local Union No. 299 of the International Brotherhood of Teamsters at its Detroit, Michigan facility Participation was closed to new entrants effective 02/02/2014. No rehired employees can enter the plan after 04/16/2018.

Normal retirement benefit

Age	Attained age 62.
Service	5 years of participation
Form	Monthly annuity payable for life (optional forms may be elected in advance of retirement).
Amount (accrued benefit)	\$54 multiplied by accrual service Benefit accruals were frozen for all participants effective 04/16/2018.

Early retirement benefit

Age	Attained age 60.
Service	Completed 10 years of service.
Form	Same as normal retirement benefit.
Amount	Accrued benefit on early retirement date reduced by 6 2/3% for each year retirement precedes age 62.

Late retirement benefit

Age	No maximum age.
Form	Same as normal retirement benefit.
Amount	Greater of accrued benefit on normal retirement date actuarially increased to late retirement date or accrued benefit on late retirement date.

Termination benefit

Vesting Percentage	0% if less than 1 year of service 10% after 1 year of vesting service 20% after 2 years of vesting service 30% after 3 years of vesting service 40% after 4 years of vesting service 60% after 5 years of vesting service 80% after 6 years of vesting service 100% after 7 or more years of vesting service
Form	Same as normal retirement benefit with income deferred until normal retirement date.
Amount	Accrued benefit on date of termination multiplied by the vesting percentage.

Survivor annuity death benefit (a vested benefit)

Eligibility	Qualified married participant with at least one year of vesting service.
Form	Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death.
Amount	If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 55% survivor annuity in effect, then died the next day.

Definitions

Average compensation	The monthly average of total pay received for the 5 compensation years prior to normal retirement date.
Optional forms of benefit payments	The optional forms of benefit payments are: • Monthly annuity payable for life, or 5, 10, or 15 years certain and life. • Monthly annuity payable as a survivorship life annuity with survivorship percentages of 50, 55, 66 2/3, 75, or 100. • Social Security Level Income The optional form conversion basis is 7.0% interest and the 1994 GAR Mortality table for payments other than lump sums. The optional form conversion basis uses the applicable interest rate and applicable mortality table as set forth in Code Section 417 for lump sum payments. The applicable interest rate uses the second calendar month preceding the first day of the stability period which is the plan year.

Changes in Principal Eligibility or Benefit Provisions

There have been no changes in principal eligibility or benefit provisions since the last valuation.

Significant Event

The enrolled actuary has not been made aware that any significant events have occurred during the year.

Schedule SB, Line 25 – Change in Method
Detroit Ball Bearing Company Union Employees' Pension Plan
EIN 34-0117420 Plan No. 001

A change in funding method has occurred since last year due to a change in the enrolled actuary and the business organization providing actuarial services to the plan. This change meets the automatic approval requirements under Rev Proc 2017-56.

Schedule SB, Line 24 – Change in Actuarial Assumptions
Detroit Ball Bearing Company Union Employees' Pension Plan
EIN 34-0117420 Plan No. 001

Certain non-prescribed assumptions have been changed since last year. These assumptions were changed to better reflect the anticipated experience of your plan. See the attachment, Part V – Statement of Actuarial Assumptions/Methods, for the rationale for each assumption.

The assumed asset return for the current year has decreased from 7.00% to 5.25%. This rate is used in the calculation of the actuarial value of plan assets.

Schedule SB, Line 8 – Late Election to Apply Balances to Quarterly Installments
Detroit Ball Bearing Company Union Employees' Pension Plan
EIN 34-0117420 Plan No. 001

The portion of the prefunding balance used to offset prior year's funding requirements (shown on the 2019 Schedule SB line 8) doesn't match the 2018 Schedule SB line 35 due to late prefunding balance elections.

Schedule SB, Line 19 - Discounted Employer Contributions
Detroit Ball Bearing Company Union Employees' Pension Plan
EIN 34-0117420 Plan No. 001

The attached schedule shows the date and amount of individual employer contributions, interest adjusted contribution, year to which the contributions are applied, applicable effective interest rate and the period to which the rate applies. If not otherwise noted, the valuation year effective interest rate is the only rate that applies from the valuation date to the contribution date.

Contributions allocated toward minimum required contributions (Line 19c)

Date	Applied To	Full Amount of Contribution by Employer	Interest Adjusted Amount of Contribution	Plan Year applied	Days 5% interest applies for late required installment
09/08/2020	Q1	\$1,320	\$1,267	2019	0
10/26/2020	Q1	\$36	\$34	2019	0
10/26/2020	Q2	\$1,346	\$1,283	2019	0
10/26/2020	Q3	\$1,328	\$1,266	2019	0
10/26/2020	Q4	\$1,311	\$1,250	2019	0
10/26/2020	Annual Cost	\$803	\$765	2019	0
10/26/2020	Remaining	\$495,176	\$472,001	2019	0

Total Contributions:

Date	Full Amount of Contributions by Employer (line 18b)	Interest Adjusted Amount of Contributions (line 19c)
TOTAL	\$501,320	\$477,866