

The
Lincoln Electric Company
Retirement Annuity Program
—
RAP

Summary Plan Description

January 1, 2017

THE LINCOLN ELECTRIC COMPANY
CLEVELAND, OH 44117-1199

The More You Know...

This booklet provides an overview of the provisions of The Lincoln Electric Company Retirement Annuity Program (RAP) and answers many commonly-asked questions.

We hope that you will find this summary useful and that you will discuss this information with your family. As you read about the RAP, you may have questions about the way the plan works. If so, you can contact the Human Resources Benefits Team for more information.

To simplify this overview, we have tried to avoid using legal and technical language. In addition, we have not included every provision of the plan and have only described the more common or typical provisions. **IF THERE IS ANY INCONSISTENCY BETWEEN THIS SUMMARY PLAN DESCRIPTION (SPD) AND THE OFFICIAL PLAN DOCUMENT, THE PLAN DOCUMENT WILL GOVERN.**

This description is intended only to help you understand the plan and is not intended to change the RAP in any way. All of the details of the RAP and its provisions can be found in the official plan document, which is available from the Human Resources Benefits Team.

On December 31, 2015, the Harris Calorific Division Retirement Plan (the "Harris Plan") sponsored by J.W. Harris Co., Inc. was merged into the RAP, but has been maintained as a separate component of the RAP. The benefits and other substantive provisions of the Harris Plan were not changed upon the merger. This booklet does not apply to those employees who are covered under the terms of the Harris Plan, and the term "RAP" as used in this Summary Plan Description refers only to the part of the Retirement Annuity Program that applies to employees and former employees who were participants in the RAP prior to the Harris Plan merger. There is a separate Summary Plan Description that is available to those employees and former employees covered under the terms of the Harris Plan.

TABLE OF CONTENTS

	Page
THE PLAN AT A GLANCE	2
ELIGIBILITY & PARTICIPATION	3
Eligible Employees	3
Participation	3
BENEFITS	4
Basic Benefits	4
Supplemental Benefit Increases	5
Calculation and Commencement of Benefits	6
"Age 60" Feature and the FSP – What Do You Have?	6
VESTING	10
DISTRIBUTIONS	11
Normal Forms of Distribution	11
Alternative Forms of Distribution	11
Explanation of Potential Decrease in Amounts Payable at Later Commencement Ages under Alternative Forms of Distribution	13
Separate Commencement of Age 60 Feature Benefit	14
Beginning Payments Early	14
Applying for Benefits	15
Small Benefits	15
DEATH BENEFITS	16
Death While an Active Employee When Benefit Has Not Commenced	16
Death of Vested Participant No Longer Employed By an Employer	16
MISCELLANEOUS	18
Social Security	18
Loss of Benefits	18
Plan Assets	19
ADMINISTRATION	20
Plan Administration	20
Filing a Claim for Benefits	20
Amendment of the RAP	21
Assignment of Benefits, Qualified Domestic Relations Orders	21
Uniformed Services Reemployment Rights	21
Recovery of Benefit Overpayments	21
Pension Benefit Guaranty Corporation (PBGC)	21
Your ERISA Rights	22
ADMINISTRATION AND OTHER INFORMATION	24

THE PLAN AT A GLANCE

Perhaps one of the most important milestones in your life is the transition from work to retirement. With proper planning, retirement can be the start of a very rewarding period in your life.

Financial security is an important part of that transition. That financial security depends upon your personal savings, Social Security and your retirement plans. Eligible employees hired before January 1, 2006 participate in the Company's pension plan, known as "The Lincoln Electric Company Retirement Annuity Program", or RAP. The Lincoln Electric Company (the Company) pays the entire cost of this benefit and it can make up a large part of your retirement income.

All benefits under the RAP were frozen on December 31, 2016. As a result, no person will earn any additional benefits under the RAP after December 31, 2016.

The RAP is called a pension plan or "annuity" because it pays a set amount for your life after retirement. Here's how it works:

- You became a participant when you had 1,000 hours of service in your first year of employment (or in a subsequent plan year).
- Each year, you earned a benefit equal to a percentage of your base pay. Your total benefit at retirement is the sum of all those years.
 - The Company has also provided certain supplemental adjustments in the past that may increase your total benefit.
 - Plus, you may be entitled to additional enhancements in your benefits if you work past age 60 – under the Age 60 Feature. This feature applies to all benefits earned before November 1, 1997, and it applies to benefits earned after that date for those employees who elected to continue this option in 1997 and 2006.
- You're entitled to these benefits after you have 5 years of service, even if you leave before normal retirement age.
- Normally, your benefits will begin at age 60, but they can commence earlier (with some reduction), if you have terminated employment.
- Benefits are paid for your life (or for your and your spouse's life), but you may choose other forms of payment (with some reduction), including a lump sum payment.
- If you die before your benefits commence and you are vested, your spouse will receive a survivor benefit for his/her life. If you die while still employed and are not married, your estate will receive a death benefit.

Generally employees hired after January 1, 2006 are not eligible to participate in the RAP. These employees are eligible for the enhanced Financial Security Program (FSP Plus) that was introduced in 2006 under the Lincoln Electric Company Employee Savings Plan (referred to in this SPD as "the 401(k) Plan"). For complete information about that plan, please consult the booklet entitled "The Lincoln Electric Company Employee Savings Plan, 401(k) Plan Summary Plan Description".

ELIGIBILITY & PARTICIPATION

Eligible Employees

You were eligible to participate in the RAP if you are an employee of the Company or Welding, Cutting, Tools & Accessories, LLC who was hired prior to January 1, 2006 (unless you were not a regular full-time employee and did not meet the eligibility requirement by July 1, 2006) and met the eligibility requirement. If you are an employee of Lincoln Global, Inc. (other than an employee of its Seal Seat Division), you were eligible to participate in the RAP, regardless of your hire date, when you met the eligibility requirement. If you are an employee of the Seal Seat Division of Lincoln Global, Inc. who was hired prior to May 1, 2013, you were eligible to participate in the RAP when you met the eligibility requirement. The eligibility requirement is that you completed 1,000 hours of service with an Employer during your first year of employment or in a subsequent plan year.

However, no employee of any company who is hired or rehired on or after January 1, 2017 is eligible to become or again become a participant in the RAP. For special rules applicable to employees rehired prior to that date, please contact the Human Resources Benefits Team.

The “Employers” under the RAP are the Company, Lincoln Global, Inc. and Welding, Cutting, Tools & Accessories, LLC and are referred to in this SPD as the Employer.

An **hour of service** is each hour for which you are paid or entitled to payment for working or for other reasons such as vacation, sickness, disability or an award of back pay.

A **plan year** is a calendar year – January 1 to December 31.

Currently, the following groups are and were **not eligible** to participate in the RAP:

- Employees hired after the applicable dates described above.
- Independent contractors
- Non-employee directors
- Non-resident aliens with no U.S. source income
- Resident aliens who are entitled to retirement benefits from a foreign Lincoln affiliate
- Collectively bargained employees
- Leased employees
- Employees not employed by an Employer.

Participation

You automatically became a participant in the RAP once you met the eligibility requirement.

If you became eligible in your first year of employment, your participation was retroactive to the January 1st after your date of hire. If you didn't have 1,000 hours of service in your first year of employment, you became a participant on the January 1st after the plan year in which you had 1,000 hours.

For example:

If you were hired on April 1, 2004 and had 1,000 hours by April 1, 2005, you became a participant retroactive to January 1, 2005. If you didn't meet the 1,000 hours requirement by April 1, 2005, but did meet the 1,000 hours requirement in the next plan year (between January 1 and December 31, 2005), you became a participant on January 1, 2006.

BENEFITS

Basic Benefits

Each participant earned a basic benefit under the RAP. You accumulated a benefit while you were an eligible participant and earned base pay from an Employer. On December 31, 2016, the accumulated basic benefits of all participants were frozen. On and after January 1, 2017, no participant will earn any further benefits under the RAP.

Your basic benefit is determined by multiplying your base pay for each year prior to 2017 that you were an eligible participant by a percentage, determined based on your 2006 Retirement Choice election. All of those years are added together to determine your total annual basic benefit. If you chose not to switch to the "FSP Plus" program during the 2006 Retirement Choice or terminated employment before the 2006 Retirement Choice was offered by the Company, the percentage of base pay used to determine your entire basic benefit under the RAP is 2½%. If you chose to switch to the new "FSP Plus" program during the 2006 Retirement Choice, the percentage of base pay used to determine your basic benefit under the RAP for periods prior to July 16, 2006 is 2½% and the percentage of base pay used to determine your basic benefit under the RAP for periods on and after July 16, 2006 is 1¼%. Note that if you were hired before November 1, 1964, you only earned 2% of base pay for periods prior to that date. If you are an employee of Lincoln Global, Inc., the percentage of base pay used to determine your entire basic benefit under the RAP is 2½%.

Base pay includes your regular wages, salaries, vacation pay, overtime, shift and incentive premiums and regular pay adjustments from an Employer. Base pay does not include bonuses, reimbursed expenses or other special payments. The base pay used is base pay for the same period that begins in the prior year and ends in the current year that is used for purposes of the Company bonus. For purposes of determining a participant's frozen benefit as of December 31, 2016, base pay paid during the period from November 1, 2016 to December 31, 2016 will be taken into account, as well as base pay earned prior to January 1, 2017 put paid in January 2017. No base pay earned on or after January 1, 2017 will be taken into account under the RAP.

To see how a basic benefit is calculated, take a look at the following example for Joe Smith:

Date of birth: July 1, 1960

Date of hire: July 1, 1990

Assume Joe did not elect the FSP Plus program in 2006.

Joe's benefits are determined by: Base pay X 2½% = Benefit

If Joe retires on his 60th birthday (July 1, 2020), his annual benefit at retirement payable in the form of a Lifetime Only Benefit (see page 11) would be determined like this:

Pay Year	Base Pay	2 1/2 %	Benefit
11/1/1990 - 10/31/1991	\$30,000	0.025	\$750
11/1/1991 - 10/31/1992	\$30,000	0.025	\$750
11/1/1992 - 10/31/1993	\$30,000	0.025	\$750
11/1/1993 - 10/31/1994	\$30,000	0.025	\$750
11/1/1994 - 10/31/1995	\$35,000	0.025	\$875
11/1/1995 - 10/31/1996	\$35,000	0.025	\$875
11/1/1996 - 10/31/1997	\$35,000	0.025	\$875
11/1/1997 - 10/31/1998	\$35,000	0.025	\$875
11/1/1998 - 10/31/1999	\$40,000	0.025	\$1,000
11/1/1999 - 10/31/2000	\$40,000	0.025	\$1,000
11/1/2000 - 10/31/2001	\$40,000	0.025	\$1,000
11/1/2001 - 10/31/2002	\$40,000	0.025	\$1,000
11/1/2002 - 10/31/2003	\$45,000	0.025	\$1,125
11/1/2003 - 10/31/2004	\$45,000	0.025	\$1,125
11/1/2004 - 10/31/2005	\$45,000	0.025	\$1,125
11/1/2005 - 10/31/2006	\$45,000	0.025	\$1,125

11/1/2006 - 10/31/2007	\$50,000	0.025	\$1,250
11/1/2007 - 10/31/2008	\$50,000	0.025	\$1,250
11/1/2008 - 10/31/2009	\$50,000	0.025	\$1,250
11/1/2009 - 10/31/2010	\$50,000	0.025	\$1,250
11/1/2010 - 10/31/2011	\$55,000	0.025	\$1,375
11/1/2011 - 10/31/2012	\$55,000	0.025	\$1,375
11/1/2012 - 10/31/2013	\$55,000	0.025	\$1,375
11/1/2013 - 10/31/2014	\$55,000	0.025	\$1,375
11/1/2014 - 10/31/2015	\$60,000	0.025	\$1,500
11/1/2015 - 10/31/2016	\$60,000	0.025	\$1,500
11/1/2016 - 12/31/2016	\$10,000	0.025	\$250
Total Annual Basic Benefit			\$28,750

His benefits would begin on the first of the month after retirement, or August 1, 2020, unless he elects to defer commencement to age 62.

Supplemental Benefit Increases

In addition to the basic benefit provided to all participants, the Company has also increased benefits for active participants and retirees in 1968, 1975, 1978, 1980, 1982, 1985 and 1991. Retirees also received an increase in 1997. These are known as supplemental benefit increases and were made by the Company, in its sole discretion, when it determined appropriate. No supplemental benefit increases will be made by the Company after December 31, 2016.

Supplements have been determined by multiplying a *supplemental percentage* by your base pay during the *supplemental pay year* and by your years of *supplemental service*.

The factors used to determine past supplements are as follows:

Supplements			
	Percentage	Pay Year	Service
1968	¼% (0.25%)	11/1/67-10/31/68	service before 12/28/68
1975	¼% (0.25%)	11/1/74-10/31/75	service before 12/28/75
1978	¼% (0.25%)	11/1/77-10/31/78	service before 12/28/78
1980	½% (0.5%)	11/1/79-10/31/80	service before 12/28/80
1982	¼% (0.25%)	11/1/81-10/31/81	service before 12/28/82
1985	1/8% (0.125%)	11/1/84-10/31/85	service before 12/28/85
1991	1/8% (0.125%)	11/1/90-10/31/91	service before 12/28/91
1997*	1/8% (0.125%)	11/1/95-10/31/96	service before 12/28/97

*For retirees only

Supplemental service generally means each year you earned a basic benefit before the particular supplement was provided.

To see how the supplemental benefit increases are determined, take a look at the supplement earned by Joe Smith in the last example beginning on page 4.

$$1991 \quad \begin{array}{|c|} \hline \text{Percentage} \\ \hline 0.00125 \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Pay} \\ \hline \$30,000 \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Service} \\ \hline 1 \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Supplement} \\ \hline \$37.50 \\ \hline \end{array}$$

Total Annual Benefit (Basic + Supplements) \$28,787.50

Note: Because this participant was still working for the Company in 1997, the participant was not eligible for the 1997 supplement.

For participants who have already retired by the date of a supplemental benefit increase, the supplemental pay used is the base pay for the last full pay year the participant earned a basic benefit (that is, the last full November 1 to October 31). Before December 28, 1987, years after a participant reached age 60 were not counted in calculating the supplemental benefit increases.

Calculation and Commencement of Benefits

The benefit you receive is the total of your basic benefit and any supplements. Normally, if you are unmarried, you receive that amount each year, beginning on your normal retirement date and it is paid monthly for the rest of your life.

Normal retirement date is the first day of the month after your 60th birthday, or after the fifth anniversary of your date of hire, if later.

You may receive your benefits earlier or in a different form (not just for your life), but the amount of your annual benefit will be reduced for commencing payment before your normal retirement date or for payment in a form other than for your life. **More information on the timing and types of payments, including the normal form of distribution for married participants, is provided in the “Distributions” section – on pages 11 through 13.**

Normally, distribution of your vested benefit will commence on your normal retirement date, but you can begin to receive your vested benefit early (within six months following your termination of employment or after you reach age 55), or you may postpone commencement of your benefit until you reach age 62. If you decide to postpone commencement of your benefit after your normal retirement date, the amount of your annual benefit will not be increased to reflect delayed commencement but, once you start, you will get a lump sum payment equivalent to the monthly payments you would have received between your normal retirement date and the date of commencement of your benefit (no ramp or interest will be applied).

Prior to 2017, if you continued working at an Employer after your normal retirement date, you continued to earn basic benefits for those years (and supplements, if applicable). In addition, you may be entitled to enhancements in your frozen benefits under the “Age 60” Feature, as described below. If the Age 60 Feature does not apply, although you continued to earn benefits prior to 2017 while working after your normal retirement date, the payment of those benefits was suspended until you retire.

“Age 60” Feature and the FSP – What Do You Have?

If you were hired before November 1, 1997 and work past age 60 (normal retirement age), you may be eligible for enhanced benefits, known as the “Age 60” Feature, or “Ramp”. However, the Age 60 Feature will only apply to your frozen benefits (the benefits you earned under the RAP as of December 31, 2016).

- If you were employed before November 1, 1997 and elected to keep the Age 60 Feature during the 1997 Retirement Choice and the 2006 Retirement Choice, the Age 60 Feature will apply to all your frozen basic (2½%) and supplemental benefits (if applicable).
- If you were employed before November 1, 1997 and elected to change to the FSP during the 1997 Retirement Choice but elected to keep the FSP during the 2006 Retirement Choice, the Age 60 Feature will only apply to the basic and supplemental benefits you earned before November 1, 1997. Instead of the Age 60 Feature, after October 31, 1997, the Company made contributions equivalent to 2% of your base pay into your 401(k) Plan account. You still earned basic (2½%) and supplemental benefits (if applicable) under the RAP after October 31, 1997 and before January 1, 2017.
- If you were employed before November 1, 1997 and elected to change to the FSP during the 1997 Retirement Choice and elected to change to the FSP Plus during the 2006 Retirement Choice, the Age 60 Feature will only apply to the basic and supplemental benefits you earned before November 1, 1997. Instead of the Age 60 Feature, the Company made contributions equivalent to 2% of your base

pay into your 401(k) Plan account for the period from November 1, 1997 through July 15, 2006, after which the Company began FSP Plus contributions based on your years of service. You still earned basic and supplemental benefits (if applicable) under the RAP after October 31, 1997 and before January 1, 2017, but the percentage of base pay used to determine your basic benefit was reduced to 1¼% on and after July 16, 2006.

- If you were employed before November 1, 1997 and elected to keep the Age 60 Feature during the 1997 Retirement Choice but elected to change to the FSP Plus during the 2006 Retirement Choice, the Age 60 Feature will only apply to the basic and supplemental benefits you earned prior to July 16, 2006. Beginning July 16, 2006, instead of the Age 60 Feature, the Company made contributions based on your years of service into your 401(k) Plan account. You still earned basic and supplemental benefits (if applicable) under the RAP after October 31, 1997 and before January 1, 2017, but the percentage of base pay used to determine your basic benefit was reduced to 1¼% on and after July 16, 2006.
- If you were hired on or after November 1, 1997, but before January 1, 2006, the Age 60 Feature will not apply to any of your basic benefits (or supplements, if applicable) under the RAP. Instead, you received FSP or FSP Plus contributions in the 401(k) Plan depending on your 2006 Retirement Choice election. You still earned basic benefits (and supplements, if applicable) before January 1, 2017.
- If you are an employee of Lincoln Global, Inc., the Age 60 Feature will apply to all of your basic and supplemental (if applicable) benefits that you earned before January 1, 2017. You were not eligible to receive FSP or FSP Plus contributions to the 401(k) Plan.
- Effective January 1, 2017, the Company ceased to make FSP and FSP Plus contributions to the 401(k) Plan for all employees.

Under the Age 60 Feature, you receive enhanced benefits in one of two ways (not both):

1. Your frozen benefits can begin at age 60 while you continue to work, in which case your frozen annual benefit will be based on the benefit you earned up to age 60, or
2. You can delay commencement of your frozen benefits until you actually retire or until you reach age 65, if that is earlier, in which case your frozen annual benefit will be increased to take into account the delay in payment.

If you continued to work beyond your normal retirement age, prior to 2017 you earned additional basic benefits (and supplements, if applicable). For each of the years prior to 2017 that you worked beyond your normal retirement age, the benefits you earned will normally commence (or be calculated) as of the next January 1st.

Commence While Working

Under the Age 60 Feature, if you choose to receive your benefits (that are subject to the Age 60 Feature) while you continue to work (at or after age 60), you will receive those benefits in addition to your regular paycheck.

The amount you receive will be based on the benefit you earned before you turned 60 (or before January 1, 2017, if earlier).

To see how this enhancement works, take a look at the benefits Joe Smith (examples on pages 4 and 5) would receive if he kept working until his 63rd birthday (July 1, 2023):

Commence While Working	Payments
Benefits Paid in 2020 (8/1/20-12/31/2020)	\$11,994.79
Benefits Paid in 2021 (1/1/21-12/31/21)	\$28,787.50
Benefits Paid in 2022 (1/1/22-12/31/22)	\$28,787.50
Benefits Paid in 2023 (1/1/2023-7/31/2023)	\$16,792.71
Total Amounts Received Before Retirement	\$86,362.50
Annual Benefits at Retirement <i>Commencing August 1, 2023</i>	\$28,787.50

This example assumes that Joe Smith elected to keep the Age 60 Feature for all his benefits and did not elect the FSP or the FSP Plus. Also, this example assumes that Joe Smith's benefit will be payable as a Lifetime Only Benefit, and he chooses to commence his benefit while working at the first of the month following age 60.

If you elected to change to the FSP or FSP Plus, your benefits earned after that change will not be adjusted each year if you commence your benefit while working (after age 60). Since the Age 60 Feature only applies to the benefits you earned before the change, those are the only benefits you can commence before actual retirement. For example, if Joe Smith (examples on pages 4 and 5) had elected to change to the FSP, he could commence his pre-November 1, 1997 benefits (\$5,662.50 / year) while he continues to work after age 60. He would continue to receive that same amount each year until he actually retires. The additional benefits he earned (after October 31, 1997 through December 31, 2016) would commence to be paid when he retires. Similarly, if Joe had not elected to change to the FSP, but did elect the FSP Plus, he could commence his pre-July 16, 2006 benefits (\$14,709.38 / year) while he continues to work after age 60 and receive that amount until he actually retires. The additional benefits he earned after July 15, 2006 through December 31, 2016 would commence to be paid when he retires.

Only benefits subject to the Age 60 Feature can commence while you are working.

Delay Until Actual Retirement

If you choose to delay benefit payment until you actually retire (after age 60), your frozen basic and supplemental benefit payments that are subject to the Age 60 Feature will be increased to reflect their delayed commencement. Prior to 2017, this increase will be in addition to the regular benefits you earned in each of those years while working.

The delay in commencement increases are shown below:

If you delay retirement until age...	You receive this percentage of your frozen benefits subject to the Age 60 Feature...
60	100.00%
61	110.05%
62	121.40%
63	134.24%
64	148.83%
65	165.46%

The exact percentage increase you receive will depend upon the month you retire.

To see how this enhancement works, take a look at what Joe Smith (examples on pages 4 and 5) would receive if he kept working after age 60, but delayed commencement until he actually retired on his 63rd birthday (July 1, 2023):

Delayed Commencement	Payments
Benefits Payable at Age 60	\$28,787.50
Approximate Increase (34.24%) for Delayed Commencement	x 1.3424
Annual Benefit at Retirement After Adjustment	\$38,644.34

This example assumes that Joe Smith chose to stay with the Age 60 Feature for all his benefits and did not elect the FSP or FSP Plus. This example also assumes that Joe Smith's benefit will be payable as a Lifetime Only Benefit.

If you elected to change to the FSP, the benefits you earned after October 31, 1997 and before January 1, 2017, would not be increased if you work past age 60 (and delay commencement until actual retirement).

Likewise, if you elected to change to the FSP Plus, the benefits you earned after July 15, 2006 and before January 1, 2017, would not be increased if you work past age 60 (and delay commencement until actual retirement).

For example, if Joe Smith had elected to change to the FSP, his pre-November 1, 1997 benefits would be \$5,662.50 / year. If he continued to work after age 60 (until age 63) and delayed commencement of his benefits until actual retirement, only that amount would be increased by approximately 34.24% to \$7,601.34 / year.

Although he would receive the additional basic benefits, earned after October 31, 1997 and prior to 2017, those additional benefits would not be increased by 34.24%. Joe would be forfeiting that increase. Instead, he would have received the 2% of base pay contribution into the 401(k) Plan each year.

Similarly, if Joe did not change to the FSP but did elect the FSP Plus, continued to work after age 60 and delayed commencement of his benefits until actual retirement, only the amount of benefit he earned prior to July 16, 2006 would be increased.

Under the Age 60 Feature, even if you delay commencement of your benefits, they must start by age 65, even if you are still working.

VESTING

Vesting represents your entitlement to receive benefits under the RAP. You are vested in your benefits if you have five years of continuous service.

Continuous service is the period of time from when you first perform an hour of service for an Employer (date of hire) to the date you stop performing service (termination or leave date). If you are on leave, the period you are gone may be counted as continuous service depending upon the reason for the leave and the length of time of the leave. For example, maternity/adoption leaves of less than 24 months are included in continuous service. If you are rehired, the period you were gone may be counted as continuous service depending upon the length of the break in service.

If you are not vested and have a break in your service that is less than five years, your prior years of continuous service will be restored upon your rehire. If your break in service is more than five years, your prior years of continuous service (and the benefits you earned during that period) will not be restored upon rehire. If you are vested and leave your Employer, your prior years of service will be restored upon your rehire.

If you leave your Employer before you have five years of continuous service, you will forfeit your benefits under the RAP. Those forfeited amounts may be reinstated if you are rehired by an Employer within five years.

If you leave your Employer after you have five years of continuous service, you will be entitled to receive your RAP benefits, beginning on your normal retirement date (age 60). The benefits you receive will be the frozen basic benefits and supplements you earned before termination of employment.

If you were an employee of an Employer who was participating in the RAP on December 31, 2016 and did not have five years of continuous service, you were deemed to have five years of continuous service and were fully vested in your frozen benefit on December 31, 2016.

DISTRIBUTIONS

Normal Forms of Distribution

Benefits are paid in a “normal form” unless you elect an alternative form of distribution. Which normal form applies to you depends upon whether or not you are married.

If you are single when you begin payments, the normal form of distribution is a Lifetime Only Benefit. Under this form, you receive a monthly benefit for the rest of your life. Once you die, no other benefits are paid.

If you are married when you begin payments, the normal form of distribution is a 100% Joint and Survivor Benefit. This means you receive a reduced monthly benefit for the rest of your life. When you die, that same monthly amount will be paid to your spouse for his/her life, but only if your spouse survives you. The amount is reduced from the Lifetime Only Benefit. The amount of the reduction depends on your age and your beneficiary's age at your benefit commencement date.

These forms of distribution will be automatic, unless you choose an alternative form of distribution. If you are married, your spouse must agree in writing to your choice of an alternative form and that consent must be notarized.

Alternative Forms of Distribution

For various personal reasons, you may want a type of payment that is different from the ones described above. Under the RAP, you may choose from several different forms of distribution.

Lifetime Only Benefit

Under this form, you receive monthly payments for your life only. This form pays the largest monthly pension, but stops when you die. Remember, this is the normal form of payment if you are single. If you are married, you may choose the Lifetime Only Benefit (instead of the 100% Joint and Survivor Benefit), but your spouse must agree.

100% Joint and Survivor Benefit

Under this form, you receive reduced monthly payments for your life. After your death, that same amount is paid to your beneficiary for his/her life. Because this form pays a benefit to you and your beneficiary, the monthly amount is less than the monthly amount under the Lifetime Only Benefit. The amount of the reduction depends on your age and your beneficiary's age at your benefit commencement date. Remember, this is the normal form of payment if you are married. However, you may choose a beneficiary other than your spouse, if your spouse agrees.

50% Joint and Survivor Benefit

Under this form, you receive reduced monthly payments for your life. After your death, 50% of that amount is paid to your beneficiary for his/her life. Because this form pays a benefit to you and your beneficiary, the monthly amount is less than the monthly amount under the Lifetime Only Benefit. The amount of the reduction depends on your age and your beneficiary's age at your benefit commencement date, but is less than the reduction under the 100% Joint and Survivor Benefit. If you are married, you may choose this form of payment and/or you may choose a beneficiary other than your spouse, but your spouse must agree.

Years Certain Option

Under this form, you receive reduced monthly payments for your life, but payments are guaranteed for a period of time chosen by you: 60, 120, 180 or 240 months. You receive a reduced monthly amount for life, but, if you die before the guaranteed period ends, your beneficiary will receive payments for the remainder of that guaranteed period. If your beneficiary dies before the end of the period you have chosen, the equivalent value of any remaining payments for that period would be paid to your beneficiary's estate in a lump sum. If you die before the end of the period you have chosen and no designated beneficiary is living at that time, the equivalent value of any remaining payments for that period would be paid in a lump sum to your estate, spouse, children or other relatives, as determined by the Company. Because this form of payment pays a benefit to you or your beneficiary, the monthly amount is less than the monthly amount under the Lifetime Only Benefit. The amount of the reduction depends upon your age at your benefit commencement date and the guarantee period you select. Your beneficiary's age is not considered.

Lump Sum Benefit

Under this form, you receive a single payment that is the actuarial equivalent of the Lifetime Only Benefit that would otherwise be payable to you at age 60 (or at your benefit commencement date, if later) under the RAP. No payment is made to your beneficiary when you die. If you are married, you may choose the Lump Sum Benefit (instead of the 100% Joint and Survivor Benefit), but your spouse must agree. This form of payment is available only if you elect to commence payment of your benefit on or before the first day of the month immediately following the six month anniversary of your termination of employment. (If you left employment prior to June 1, 2012 with at least five years of continuous service and met certain eligibility requirements, you were given the right to elect, during a special election period, to have your benefit paid in the form of a Lump Sum Benefit in November 2012.)

Five-Year Payment Option

Under this form, you receive five equal annual payments that are the equivalent of the Lifetime Only Benefit that would otherwise be payable to you at age 60 (or at your benefit commencement date, if later) under the RAP. If you die before the five annual payments are made, your beneficiary will receive the equivalent of the remaining payments. If you have no beneficiary, the amount will be paid to your estate, spouse, children or other relatives, as determined by the Company. If you are married, you may choose the Five-Year Payment Option (instead of the 100% Joint and Survivor Benefit), but your spouse must agree. This form of payment is available only if you elect to commence payment of your benefit on or before the first day of the month immediately following the six month anniversary of your termination of employment. (If you left employment prior to June 1, 2012 with at least five years of continuous service and met certain eligibility requirements, you were given the right to elect, during a special election period, to have your benefit paid in the form of a Five-Year Payment Option commencing in November 2012.)

As you consider the different options, you should keep the following things in mind:

1. The Lifetime Only Benefit is the form used to determine benefits under the RAP. Except as described below under Beginning Payments Early, each other form is intended to be equal in value to the Lifetime Only Benefit, although it is paid in a different form. The amount each option pays reflects the different payment schedule and the age of the different people covered at your benefit commencement date.
2. If you are married, Federal law requires that your spouse agree to your selection of any form that is not the 100% Joint and Survivor Benefit with your spouse as beneficiary. This is because your spouse will be giving up a form of distribution guaranteed by law.
3. Once payments begin, you cannot change your option. For example, if you choose a form that provides payments to your beneficiary after your death and your beneficiary dies before you, you cannot change to another form and you cannot change your beneficiary. However, if you select a

Years Certain Option or Five-Year Payment Option, you may change your beneficiary at any time during the guaranteed period, provided that your spouse agrees.

4. If you terminate employment before age 55, and you choose to commence payment of your benefit on or before the first day of the month immediately following the six month anniversary of your termination of employment, the forms of benefit payment available to you are limited as described below under Beginning Payments Early. The other optional forms of benefit payment described above are available if instead you choose to defer payment of your benefit to age 55.

Explanation of Potential Decrease in Amounts Payable at Later Commencement Ages under Alternative Forms of Distribution

The monthly amount payable under the alternative forms of distribution (other than the Lifetime Only Benefit) provided by the RAP may decrease at later benefit commencement ages. This is because these forms of distribution are calculated to be actuarially equivalent to the Lifetime Only Benefit at your actual benefit commencement date :

Lump Sum Benefit and Five-Year Payment Option:

- The Lump Sum Benefit and Five-Year Payment Option represent the value of all future annuity payments under the Lifetime Only Benefit, starting at Normal Retirement Age (age 60) or your current age, if later.
- The Lump Sum Benefit amount is based on interest rates and mortality tables that are prescribed by the IRS. The interest rate and mortality table prescribed by the IRS are updated on an annual basis. Therefore, the Lump Sum Benefit may increase or decrease from year to year based on these changes to the interest rates and mortality table.
- The Lump Sum Benefit amount also depends on your age at commencement. If you postpone commencement of your Lump Sum Benefit beyond your Normal Retirement Age, the value of your Lump Sum Benefit may decrease, because fewer future annuity payments are included in the Lump Sum Benefit calculation.

Joint and Survivor Benefit and Years Certain Option:

- Amounts payable under the alternative annuity forms of distribution represent the actuarial equivalent amount of the Lifetime Only Benefit, calculated at your actual commencement date. This ensures that each of the alternative form of distribution is equivalent in value.
- The actuarial equivalence factors used to calculate alternative annuity forms of distribution are an interest rate of 5% and a mortality table specified in the plan document.
- The actuarial equivalent reduction represents a charge for the additional guarantee that the alternative form of distribution provides in addition to payment for your lifetime: For the Joint and Survivor Benefit, the charge represents the value of the potential additional payments for your beneficiary's lifetime should you predecease your beneficiary. For the Years Certain Option, the charge represents the value of the potential additional payments to your beneficiary for the remainder of the certain (or guaranteed) period should you die before the end of the certain (or guaranteed) period.
- These additional guarantees are more valuable at later commencement ages. This is because your life expectancy is shorter at later ages. A shorter life expectancy increases the likelihood that additional guaranteed payments will be made to your beneficiary. Therefore, the amount payable under these alternative forms of distribution decreases at later commencement ages.

Separate Commencement of Age 60 Feature Benefit

If the Age 60 Feature applies to any portion of your frozen benefit under the RAP and you continue to work past age 60, you may elect to commence payment of that portion of your benefit in one of the forms of payment discussed above while you are working. Any additional benefits that you earned under the Age 60 Feature prior to January 1, 2017 while you were working will be paid in the same form of payment as you elected when payments commenced.

If you have additional benefits under the RAP that are not subject to the Age 60 Feature and cannot commence those benefits until you stop working, you will have to make a separate election with respect to the form of payment for those benefits. You may elect two different forms of payment. However, if your entire benefit under the RAP starts at the same time, you may only select one form of payment for the entire benefit.

Beginning Payments Early

If you have retired or terminated employment with the Employer, you can begin receiving benefits as early as age 55. However, your payments will be reduced because the benefit will be paid for a longer period of time than if it began at age 60. The amount of reduction depends upon your age when payments begin.

The reductions are as follows:

Age Benefits Begin	Percent of Benefit (Before Normal Retirement Age)
55	63.82%
56	69.57%
57	75.96%
58	83.09%
59	91.06%
60	100.00%

The actual percentage decrease you receive will depend upon the month you retire.

To see how this reduction works, take a look at what Joe Smith (examples on pages 4 and 5) would receive if he left the Company at age 55 (on July 1, 2015) and began receiving his benefits immediately:

Early Commencement	Payments
Benefits Earned by age 55 <i>(but normally payable at age 60)</i>	\$26,537.50
Approximate Reduction (to 63.82%)	x 0.6382
Annual Benefits at Early Commencement <i>Commencing August 1, 2005</i>	\$ 16,936.23

If you terminate employment on or after June 1, 2012 with five or more years of continuous service and prior to reaching age 55, you may elect to begin receiving your benefits on or before the first day of the month immediately following the 6 month anniversary of your termination of employment. If you request such an early commencement of your benefit, the only forms of payment that are available at that time are (i) a Lump Sum Benefit that is equivalent to the Lifetime Only Benefit that would be payable to you at age 60, (ii) a Five-Year Payment Option that is equivalent to the Lump Sum Benefit, (iii) if you are not married, a Lifetime Only Benefit that is equivalent to the Lump Sum Benefit, or (iv) if you are married, a 100% or 50% Joint & Survivor Benefit with your spouse as the beneficiary that is equivalent to the Lump Sum Benefit. If you do not request to begin your benefit during that six month period, payment of your benefit will be deferred until you elect to begin payment following age 55. Additional annuity forms of payment will be available at that later time, as described above. However, the Lump Sum Benefit and the Five-Year Payment Option will not be available if you decide to delay payment beyond the first day of the month immediately following the six month anniversary of your termination of employment.

If you left employment prior to June 1, 2012 with five or more years of continuous service and met certain eligibility requirements, you were given the right to request during a special election period that your benefit begin in November 2012 prior to your attainment of age 55.

Applying for Benefits

Once you are ready and eligible to begin receiving payments under the RAP, you will need to submit a written application to the Company before your benefits can begin. Applications are provided by the Human Resources Benefits Team.

On the application, you will select a form of distribution. You will also need to provide information on your beneficiary (if applicable). If you are married and selecting a form other than the 100% Joint and Survivor Benefit with your spouse as beneficiary, your spouse will need to sign the form and his/her signature will need to be notarized.

To complete the application, you will need to provide a copy of your birth certificate (to verify your age). In addition, if you are selecting a Joint and Survivor Benefit (whether the beneficiary is your spouse or someone else), you will be asked to provide a copy of your beneficiary's birth certificate.

You must submit your application no more than 180 days and no less than 15 days before payments begin (the "election period"). Applications that request payment dates beginning before the date of the application will not be accepted.

Small Benefits

If the entire current value of your benefit is less than \$1,000, it will be paid to you in one lump sum after your termination of employment.

DEATH BENEFITS

If you die after your payments have started, the remaining benefits, if any, are payable to your spouse or beneficiary. Whether those benefits are payable and the amount of those benefits depend upon the form of distribution you previously elected.

Death While an Active Employee When Benefit Has Not Commenced

If you die while you are still employed by an Employer and are vested, there is a benefit payable to your beneficiary or your estate depending on your marital status.

If you are married at the time of your death, your spouse is automatically entitled to a benefit known as the "pre-retirement surviving spouse's benefit." Your spouse may not receive this benefit with respect to any portion of your benefit that you have already started receiving at the time of your death. The amount payable to your spouse is based on the benefits you earned under the RAP before your death that would have been paid to your surviving spouse under the 100% Joint and Survivor Benefit form. Payment of the pre-retirement surviving spouse's benefit generally begins on the first day of the month following your death and is reduced to reflect your age when you died and the age of your spouse. However, if you die while eligible for the pre-retirement surviving spouse's benefit and before reaching age 60, your surviving spouse may decide to delay commencement of his or her benefit until the first day of the month following the month in which you would have reached age 60.

If you die prior to commencing any portion of your benefit, your spouse may elect to receive his or her pre-retirement surviving spouse's benefit in a lump sum payment equal to \$20,000 (or the amount of one month's total normal retirement benefit times 100, if less), with reduced monthly benefits going forward until his/her death. Your spouse also has the option not to receive the partial lump sum payment, but instead to receive normal monthly payments until the time of his/her death. Alternatively, your spouse may elect to receive his or her entire pre-retirement surviving spouse's benefit in an immediate lump sum that is the equivalent of the normal monthly payments he or she would be entitled to receive for life, as long as the lump sum is paid no later than the first day of the month immediately following the month that includes the six month anniversary of your death. If the value of a pre-retirement surviving spouse's benefit is \$5,000 or less, the RAP will automatically pay the entire benefit in an immediate lump sum.

If at the time of your death you are not married, you have not begun to receive any portion of your RAP benefit, and you have not made an election of an alternative form of annuity as described in the following paragraph, your beneficiary, or if you did not designate a beneficiary, your estate, will receive a lump sum payment of \$20,000 (or the amount of one month's total normal retirement benefit times 100, if less). No other benefits will be paid.

If at the time of your death you are not married, you have attained age 55 and you have made an election of an alternative form of annuity (in lieu of a single life annuity) during the election period described on page 15, an annuity will be paid to your beneficiary based on the form of distribution you elected. Your beneficiary (or estate) will not be eligible for the \$20,000 lump sum payment.

If at the time of your death you are not married, you deferred commencement of all or a portion of your benefits under the Age 60 Feature and you did not make an election of an alternative form of distribution during the election period described on page 15, your beneficiary (or estate) will receive the greater of \$20,000 or the amount you postponed receiving (with interest) since age 60. This death benefit is available only if you have not commenced any portion of your benefits.

Death of Vested Participant No Longer Employed By an Employer

If you are married, die as a retired or terminated employee and your RAP benefit has not commenced, there is a benefit payable to your spouse. It would be paid in the same manner as a pre-retirement surviving spouse's death benefit with the exception of the \$20,000 partial lump sum payment option (you

must be an active employee at the time of your death for your spouse to be eligible to receive the \$20,000 lump sum benefit).

If at the time of your death you are not married, you have attained age 55 and you have made an election of an alternative form of annuity (in lieu of a single life annuity) during the election period described on page 15, an annuity will be paid to your beneficiary based on the form of distribution you elected.

Except as described in the preceding paragraph, you will lose all your benefits under the RAP if you die before your benefits commence and, at the time of your death, you are no longer employed by an Employer and do not have an eligible spouse.

MISCELLANEOUS

Social Security

The benefits you receive from Social Security are in addition to benefits under the RAP. Because Social Security can be a significant part of your retirement income, it is important to understand some key facts. You can get more information, and apply for benefits at your local Social Security office. You can also contact the Federal Social Security Administration by calling 1-800-772-1213 or logging onto www.ssa.gov.

Full Social Security benefits begin at age 65 for eligible workers born in 1937 or earlier. For eligible workers born after 1937, the age at which full benefits begin gradually rises to age 67. Reduced Social Security benefits can begin anytime after age 62. Your spouse will also receive a benefit anytime after age 62, based on your earnings, unless a higher benefit is payable based on his/her own earnings.

To cover the cost of Social Security, each year, you and your Employer pay taxes on your earnings, up to the Social Security taxable wage limit. The amount of your benefit depends, in general, on the amount of your earnings covered by Social Security taxes.

In addition to retirement benefits, Social Security provides:

- Benefits for disability
- Survivor benefits
- Hospital, surgical and other medical benefits under Medicare

REMEMBER – Social Security benefits are not paid automatically – you must apply for them. You may also apply for Medicare coverage three months before you reach age 65. You can contact your local Social Security office for more details.

Loss of Benefits

There are a few situations that will cause you to lose your RAP benefits or to have your benefits stopped temporarily. For example:

- Generally, benefits cannot be paid unless you apply for them and provide all the necessary information.
- Benefits cannot be paid over IRS-specified maximum limitations. These limitations do not apply in most cases.
- Full benefits may not be paid if the RAP is terminated without sufficient assets and the Company is unable to provide those benefits. More information on guaranteed benefits upon plan termination is provided on pages 21 and 22 (PBGC Benefits).
- You will lose all your benefits under the RAP if you terminate employment before becoming vested and are not rehired.
- You may lose the benefits you earned before a break in service if you have a break before becoming vested and are gone more than five years before being rehired. More information on this situation is provided on page 10.
- You will lose all your benefits under the RAP if you die before becoming vested.
- You will lose all your benefits under the RAP if you die before payments begin and at the time of your death you (1) are no longer employed by an Employer, (2) are not at least age 55 and (3) do not have an eligible spouse.

Plan Assets

The benefits provided under the RAP are referred to as “defined benefits.” That means the RAP defines how much you will receive at retirement, not how much it puts into the plan each year on your behalf. The RAP does not set aside specific money for your benefits into a separate account. Instead, the money for your benefits comes from a pool of assets that is held in a trust by Northern Trust Company (the RAP’s Trustee).

ADMINISTRATION

Plan Administration

The Company is the administrator of the RAP. It can employ attorneys, agents, actuaries, administrators and/or accountants to assist in carrying out its duties.

The Company makes the rules and regulations necessary for the day-to-day operation of the RAP. The Company has the sole authority and discretion to interpret and construe the terms of the RAP, including determining eligibility for and amount of benefits. The Company is required to ensure that the RAP provisions are administered in a uniform and non-discriminatory way.

Filing a Claim for Benefits

If you wish to file a claim for benefits under the RAP, you need to submit your request in writing to Human Resources Benefits Team. If you are requesting a distribution, you will need to complete an application.

APPEALING A DENIED CLAIM

If your claim for benefits should be denied either in full or in part, the Company will mail to you a written notice of the denial within 90 days, plus an additional 90 days if the Company determines that special circumstances require an extension of time for processing the claim and if written notice of the additional extension of time indicating the specific circumstances requiring the extension and the date by which a decision will be rendered is given to you within the first 90-day period. The notice of a full or partial denial of a claim will (a) state the specific reason(s) for the denial, (b) make reference(s) to the specific provisions of the RAP and/or Trust Agreement on which the denial was based, (c) contain a description of any additional material or information necessary for you to perfect the claim and an explanation of why that material or information is necessary, and (d) contain a description of the RAP's review procedures and the time limits applicable to those procedures, including a statement of your right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on review.

You may appeal the denial of your claim by filing with the Company a written request for a review of your claim provided that your request is filed within 6 months of your receipt of the notice of denial of your claim. If your appeal is so filed within 6 months, a fiduciary designated by the Company will conduct a full and fair review of the claim. During the review, you will be provided with the opportunity to submit written comments, documents, records and other information relating to the claim, and reasonable access to and copies of, upon request and free of charge, all documents, records, and other information relevant to the claim. In addition, the review will take into account all comments, documents, records, and other information submitted by you relating to your claim, without regard to whether that information was submitted or considered in the initial benefit determination.

The decision of the fiduciary will be mailed or delivered to you in writing within a reasonable period of time, but not later than 60 days after the receipt of the request for review unless special circumstances require an extension of time for processing. If the Company determines that an extension of time for processing is required, written notice of the extension will be furnished to you setting forth the special circumstances requiring an extension of time and the date by which the reviewer expects to render a decision on review, and will be furnished prior to the termination of the initial 60-day period. In no event will the extension exceed a period of 60 days from the end of the initial period. In the case of an adverse benefit determination on review, the notice will (a) state the specific reason(s) for the adverse benefit determination, (b) make reference(s) to the specific provisions of the RAP and/or Trust Agreement on which the determination was based, (c) contain a statement that you are entitled to receive, upon request, and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits, and (d) contain a statement of your right to bring an action under Section 502(a) of ERISA. To the extent permitted by applicable law, the determination on review will be final and binding.

All questions regarding determination of rights to and amounts of benefits under the RAP are to be addressed to the Human Resources Benefits Team.

Amendment of the RAP

The Company reserves the right to change, modify or discontinue the RAP in whole or in part at any time.

In the event of a termination of the RAP, the rights of all employees to benefits earned and funded at the date of the RAP termination will be nonforfeitable (meaning, they can't be taken away). After providing for expenses of administration, any assets then remaining in the Trust Fund will be allocated for the purpose of paying accrued benefits to pensioners, covered employees and vested former employees according to applicable law. This allocation takes place subject to the regulations and approval of the Pension Benefit Guaranty Corporation (PBGC). Excess funds may revert to the Company, provided all accrued RAP benefits have first been satisfied.

Assignment of Benefits, Qualified Domestic Relations Orders

The RAP's purpose is to provide benefits to you (and your beneficiaries). Assets held by the RAP cannot be used for any other purpose while the plan continues. This applies both to your Employer and to you, because you cannot assign, transfer or attach your benefits nor use them as collateral for a loan.

However, the RAP must obey a "Qualified Domestic Relations Order" (QDRO), such as a divorce decree, issued by a court of law that may require a percentage of your benefits to be paid to your spouse, former spouse, child or dependent. In order to be "qualified," the court order has to meet certain standards.

You should understand that the RAP has no choice in these matters. The RAP must obey the order of the court, provided it is considered "qualified". The Plan Administrator will notify you as soon as it becomes aware of any attempt to subject your benefits to a court order. You may obtain, without charge, a copy of the RAP's QDRO procedures by contacting the Human Resources Benefits Team.

Uniformed Services Reemployment Rights

If you leave your Employer to serve in one of the "uniformed services" of the United States and return to employment, you may be entitled to benefits and service credit under the RAP for your period of qualified military service, as provided by the Uniform Services Employment and Reemployment Rights Act. Qualified military service is service in the uniformed services for which you are entitled to reemployment rights under the Act. For more information you should contact the Human Resources Benefits Team.

Recovery of Benefit Overpayments

In the event of an erroneous payment or the payment of an amount in excess of the amount you or your beneficiary is entitled to under the RAP, you or your beneficiary must repay the excess amount to the RAP. The RAP will recover the excess (a) by reducing future distributions by the amount of the excess, (b) directly from you or your beneficiary or (c) by any other method selected by the Company.

Pension Benefit Guaranty Corporation (PBGC)

Your pension benefits under this plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. If the plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers:

- Normal and early retirement benefits.

- Disability benefits if you become disabled before the plan terminates.
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law for the year in which the plan terminates.
- Some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the time the plan terminates.
- Benefits that are not vested because you have not worked long enough for the company.
- Benefits for which you have not met all of the requirements at the time the plan terminates.
- Certain early retirement payments (such as supplemental benefits that stop when you become eligible for Social Security) that result in an early retirement monthly benefit greater than your monthly benefit at the plan's normal retirement age.
- Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

Even if certain of your benefits are not guaranteed, you still may receive some of those benefits from the PBGC, depending on how much money your plan has and on how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

Your ERISA Rights

THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

As a participant in the RAP, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

- Examine without charge, at the plan administrator's office and at other specified locations, such as worksites, all documents governing the plan, including a copy of the latest annual report (Form 5500 series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including copies of the latest annual report (Form 5500 series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- Receive an Annual Funding Notice with respect to the Plan. The plan administrator is required by law to furnish each participant with a copy of this Notice free of charge.
- Obtain a statement telling you whether you have a right to receive a benefit at normal retirement age (age 60) and, if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The plan must provide the statement free of charge.

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the plan. The people who operate your plan, called “fiduciaries” of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file a suit in Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees if, for example, it finds your claim is frivolous.

If you have questions about your plan, you should contact the plan administrator. If you should have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

ADMINISTRATION AND OTHER INFORMATION

Plan Name	The Lincoln Electric Company Retirement Annuity Program
Plan Sponsor	The Lincoln Electric Company 22801 St. Clair Avenue Cleveland, Ohio 44117-1199 (216) 481-8100
IRS Employer Identification Number (EIN)	34-0359955
Plan Number	001
Trustee	The Northern Trust Company 50 South LaSalle Street Chicago, Illinois 60675
Plan Administrator	The Lincoln Electric Company 22801 St. Clair Avenue Cleveland, Ohio 44117-1199 (216) 481-8100
Type of Administration	Self-Administered
Agent for Legal Process	Legal process may be served on the Plan Administrator or the Trustee.
Plan Year	January 1 to December 31
Type of Plan, Contributions and Funding Medium	The RAP is a defined benefit pension plan (one in which a set benefit is established for each participant and contributions are made to fund that benefit). Contributions made by the Company are actuarially determined. The assets of the RAP are accumulated in, and benefits disbursed through, a trust which has been established by a Trust Agreement with the Trustee.