The
Lincoln Electric Company
Retirement Annuity Program
—
RAP

Summary Plan Description

For Employees of J.W. Harris Co., Inc. and Smart Force, LLC Who Participated in the Harris Calorific Division Retirement Plan

January 1, 2018

The More You Know…

This booklet provides an overview of the Harris Calorific Division Retirement Plan component of The Lincoln Electric Company Retirement Annuity Program (the "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 department in Gainesville, Georgia for more information. The Human Resources department can be reached by calling 678-928-3774, by email at melissa_hight@lincolnelectric.com, or by regular mail to 2345 Murphy Boulevard, Gainesville, Georgia 30504.

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 department in Gainesville, Georgia.

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 sponsored by The Lincoln Electric Company, but the Harris Plan 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 applies to those employees who are covered under the terms of the Harris Plan component of the RAP. The term "Plan" as used in this Summary Plan Description refers to the Harris Plan for time periods prior to the plan merger and to the Harris Plan component of the RAP for time periods after the plan merger. 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 covered under the terms of the Harris Plan component of the RAP. There is a separate Summary Plan Description that is available to those employees and former employees who are participants in the RAP but are not covered under the Harris Plan component.

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SECTION I.

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. The Plan plays an important role in planning for your future security.

Eligible employees of the Harris Products Group (Gainesville location) of J.W. Harris Co., Inc. and eligible employees of Smart Force, LLC hired before May 1, 2007 participated in the Plan. Generally employees hired after May 1, 2007 were not eligible to participate in the Plan.

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

The Plan contains the following significant features:

- Normal retirement benefits at age 65 or after 5 years of Vesting Service, whichever is later. Early retirement benefits after age 55 with 10 years of Vesting Service.

- Surviving spouse's benefits to an eligible spouse.

- Vested benefits after 5 years of Vesting Service. Disability benefits after 10 years of Vesting Service.

SECTION II.

DEFINITIONS

Certain terms are used several times in this booklet. Knowing their special meanings will help you better understand your Plan.

1. **Annuity Starting Date** is the date at which you begin to receive benefit payments under the Plan. Benefit payments are made on the 1st day of a month.

2. **Compensation** is all regular wages, salaries, and overtime (excluding bonuses) that you received from the Employer during any Plan Year prior to 2017 while you were an eligible participant. The first Plan Year included compensation received between April 1, 1990 and December 31, 1990 only. Only the first $200,000 (as adjusted for cost-of-living increases) of your annual Compensation will be taken into account for purposes of determining your benefit under the Plan. For purposes of determining your frozen benefit as of December 31, 2016, Compensation earned prior to January 1, 2017 but paid in January 2017 will be taken into account. No Compensation earned on or after January 1, 2017 will be taken into account under the Plan.

3. **Date of Severance** is either the date of your retirement, resignation, death or termination from active employment or, if earlier, the first anniversary of your first day on a leave of absence.

4. **Hour of Service** is an hour for which you are paid or entitled to be paid for working or for other reasons such as vacation, sickness, disability, or an award of back pay. An Hour of Service is not counted more than once, or counted as more than one hour even if you are paid more than "straight-time" for it.

5. **Normal Retirement Date** is the day you turn 65. However, for a participant who began Plan participation at or after age 60, the Normal Retirement Date is the fifth anniversary of employment.

6. **Plan Year** is the period from January 1 to December 31, except that the first Plan Year was from April 1, 1990 to December 31, 1990.

7. **Retirement Choice 401(k) Election** is the irrevocable election made, pursuant to the retirement choice provided by the Employer to Plan participants in 2007, to stop accruing a benefit under the Plan and become eligible to participate in the J.W. Harris Co., Inc. Profit Sharing/401(k) Plan effective as of January 1, 2008.

8. **Vesting Service** is used to determine your right to receive benefits from the Plan. Your Vesting Service will be equal to the number of years and completed months between your employment date and the day you terminate employment.

SECTION III.

HOW THE PLAN WORKS

Participating in the Plan

Prior to May 1, 2007, the Plan covered all employees of J.W. Harris Co., Inc. who were employed by the Harris Products Group, Gainesville location (formerly known as the Harris Calorific Division and as Harris Calorific, Inc.) and the employees of Smart Force LLC. J.W. Harris Co., Inc. and Smart Force LLC are referred to as the "Employer."

Participation in the Plan was frozen on May 1, 2007. No employee whose hire date or rehire date was on or after May 1, 2007 was eligible to participate in the Plan. Also, no employee who transferred to the Employer on or after September 1, 2007 was eligible to participate in the Plan.

Those employees who made the Retirement Choice 401(k) Election ceased to be active participants in the Plan effective January 1, 2008. Those employees who were participating in the Plan on May 1, 2007 and did not make the Retirement Choice 401(k) Election continued to participate in the Plan as long as they remained employees of the Employer employed by the Harris Products Group, whether or not they remained employees of the Gainesville location.

If you were an employee who was eligible to participate in the Plan, you became a participant as of the first day of the Plan Year following your hire date, if you completed 1,000 Hours of Service in your first year. If you did not complete the 1,000 Hours of Service in your first year, you became a participant on the first day of the Plan Year following the Plan Year in which you completed 1,000 Hours of Service.

In the event you have questions concerning your participation in this Plan, please contact the Human Resources department in Gainesville, Georgia.

Normal Retirement

If you retire on your Normal Retirement Date (age 65 or over), you will be eligible for a normal retirement benefit. The amount of your benefit will be based on your aggregate Compensation (excluding bonus) while you were a participant under the Plan prior to 2017. On December 31, 2016, benefits under the Plan were frozen for all participants. On and after January 1, 2017, no participant will earn any further benefits under the Plan.

Your Benefit Amount

Your monthly normal retirement benefit will be one-twelfth (1/12) of one and one-half percent (1 ½%) of all Compensation (excluding bonus) you received as a participant after April 1, 1990 up to your Date of Severance (or, if earlier, December 31, 2016). However, if you made the Retirement Choice 401(k) Election, your monthly normal retirement benefit will instead be one-twelfth (1/12) of one and one-half percent (1 ½%) of all Compensation (excluding bonus) you received as a participant after April 1, 1990 up to December 31, 2007.

Accrued Benefit

Your accrued monthly benefit is one-twelfth (1/12) of 1 ½% of the total Compensation (excluding bonus) you have received as a participant between April 1, 1990 and December 31, 2016, or your Date of Severance, if earlier. However, if you made the Retirement Choice 401(k) Election, your accrued benefit was frozen as of December 31, 2007 so that your accrued monthly benefit is one-twelfth (1/12) of 1 ½% of the total Compensation (excluding bonus) you have received as a participant between April 1, 1990 and December 31, 2007.

After Your Normal Retirement Date

Prior to 2017, you continued to earn benefits under this Plan even if you continued to work after your Normal Retirement Date, regardless of your age (unless your accrued benefit under the Plan was frozen on December 31, 2007 as described above under **Accrued Benefit**). However, your benefits will not be actuarially increased to take into account the fact that you began payment after your Normal Retirement Date. While you continue to work, no benefits will be payable to you (unless you continue to work past age 70 ½; see page 7). When your benefits become payable (either after your actual retirement date or age 70 ½), your retirement benefit will be determined as described above.

Sample Benefit Calculations

Sample benefit calculations begin on page 17.

You must file a proper application in order to receive a normal retirement pension benefit.

Early Retirement

If you retire after you have 10 or more years of Vesting Service and are at least age 55 (but not older than age 65), you will be eligible for an early retirement benefit. The early retirement benefit is calculated in the same manner as the normal retirement benefit and is based on your aggregate Compensation (excluding bonus) through December 31, 2016, or your Date of Severance, if earlier (or December 31, 2007, if you made the Retirement Choice 401(k) Election).

Your benefit can begin when you reach age 65 or you can choose to begin receiving your benefit at an earlier date. However, if you choose to have your benefit payment begin before age 65, your monthly benefit will be reduced. The amount of the reduction depends on your age, as shown in the following table:

Age at which Benefit Begins	Percentage of Age 65 Benefit Payable at Age Shown
65	100%
64	90%
63	81%
62	73%
61	67%
60	60%
59	55%
58	50%
57	46%
56	42%
55	39%

For example, assume you retire early with 20 years of Vesting Service and your monthly benefit payable at age 65 is $1,000. If payment begins on your 60th birthday, your benefit would be reduced from $1,000 to $600. Here is how the reduced benefit is determined:

A.	Benefit at age 65	$1,000.00
B.	Age 60 reduction percentage	x 60%
C.	Benefit payable from the Plan at age 60	$600.00

The reduction is made because benefits are expected to be payable for a longer period of time. If your benefit begins between the whole ages shown above, the percentage paid is also between the percentages shown for the whole ages. For example, with 20 years of Vesting Service at age 60 ½, which is halfway between 60 and 61, the percentage would be 63.5%, which is halfway between 60% and 67%.

You must file a proper application in order to receive an early retirement benefit.

Vested Benefits

If you terminate employment after you have 5 or more years of Vesting Service, but before becoming eligible for an early or normal retirement benefit, you will still be entitled to a benefit under the Plan beginning at age 65. This "deferred vested" benefit is calculated in the same manner as the normal retirement benefit and is based on your aggregate Compensation (excluding bonus) through December 31, 2016, or your Date of Severance, if earlier (or December 31, 2007, if you made the Retirement Choice 401(k) Election).

If you were an employee of an Employer who was participating in the Plan on December 31, 2016 and did not have 5 years of Vesting Service, you were deemed to have 5 years of Vesting Service and were fully vested in your frozen benefit on December 31, 2016.

If you terminate employment with 10 or more years of Vesting Service but have not reached age 55, you can request that your deferred vested benefit begin at any time after your 55th birthday rather than beginning at age 65. As is the case for early retirement, your benefit will be reduced because the benefit will be paid for a longer period of time than if it began at age 65. The reduction will be in accordance with the schedule displayed under the "Early Retirement" section above.

If you terminate employment on or after August 1, 2012 with 5 or more years of Vesting Service, whether or not you have 10 years of Vesting Service or have reached age 55, you may request to commence your deferred vested benefit on or before the 1st day of the month immediately following the 6 month anniversary of your termination of employment. If you request such an early commencement of your deferred vested benefit, the only forms of payment that are available at that time are (i) a Lump Sum Benefit that is equivalent to your deferred vested benefit that would be payable for your life only at age 65, (ii) if you are not married, a Life Only Benefit that is equivalent to the Lump Sum Benefit, or (iii) 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 deferred vested benefit during that 6 month period, payment of your benefit will be deferred until the time that you are otherwise eligible, and elect, to begin payment. Additional annuity forms of payment will be available at that later time, as described below. However, the Lump Sum Benefit will not be available if you decide to delay payment beyond the 1st day of the month immediately following the 6 month anniversary of your termination of employment.

If you left employment prior to August 1, 2012 with 5 or more years of Vesting Service and met certain eligibility requirements, you were given the right to request during a special election period that your deferred vested benefit begin in December 2012 regardless of your age or years of Vesting Service at the time that you terminated employment.

You must file a proper application in order to receive a vested benefit.

Disability Benefits

If you terminate employment because of your total disability and have 10 years of Vesting Service at the time of your termination, you may be eligible to receive a monthly disability retirement benefit from this Plan. The amount of the benefit is determined like an early retirement benefit, but is not reduced for early commencement. You are required to provide medical evidence substantiating your total disability to the Employer and the Employer must approve your evidence and any necessary application forms in order to receive these benefits. If the Employer determines that you are eligible for a disability retirement benefit, the benefit will be paid starting on the 1st day of the sixth calendar month following your termination of employment due to total disability.

If you recover from your disability and you return to active employment with an Employer, all of your years of Vesting Service will be reinstated. If you do not return to work, you will still be eligible for a deferred vested benefit, which would be payable according to the eligibility requirements listed in the "Vested Benefits" section above.

Normal Forms of Benefit Payment

The normal form of benefit payment if you are not married when you retire is a Life Only Benefit, a monthly benefit that you receive for your lifetime.

If you are married when you retire, your normal form of benefit payment will be the 100% Joint & Survivor Benefit form. Under this form, you will receive a reduced monthly benefit for your lifetime. After your death, an equal monthly amount will continue to be paid to your spouse for life.

These are the normal forms of payment and are automatic unless you choose one of the optional forms described below.

Optional Forms of Benefit Payment

For various personal reasons, you may choose one of the payment options described below instead of the "normal form" described above. You indicate your choice when you file your application for pension benefits. Your application must be filed during the 180 day period before your Annuity Starting Date. If you are married, Federal law requires that your spouse consent in writing to your choice of a payment option, unless you choose the 100% or 50% Joint & Survivor Benefit with your spouse as beneficiary.

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

1. The Life Only Benefit is the amount determined under the Plan's benefit formulas, and is the form of payment for the benefit amounts shown in the benefit examples. Except as described above under **Vested Benefits** and as described below under **Lump Sum Benefit,** each of the other benefit options is equivalent in value to the Life Only Benefit. The amount each option pays reflects the different payment schedule and length of time it is expected that the benefit will be paid.

2. If you are married, Federal law requires that your spouse consent to your choice if you do not choose the 100% or 50% Joint & Survivor Benefit with your spouse as beneficiary. Your spouse's consent is required because your spouse will be giving up the right to a benefit otherwise provided to her/him by law. The consent form, available from the Human Resources department in Gainesville, Georgia must be signed by your spouse and notarized.

3. If you terminate employment before becoming eligible for an early or normal retirement benefit, and you choose to commence payment of your deferred vested benefit on or before the 1st day of the month immediately following the 6 month anniversary of your termination of employment, the forms of benefit payment available to you are limited as described above under **Vested Benefits**. The other optional forms of benefit payment described below are available if instead you choose to defer payment of your deferred vested benefit to age 65 (or any time after age 55 if you have at least 10 years of Vesting Service).

4. Once payments begin, you may not change your choice of a method of payment. For example, if you choose a benefit that is reduced to provide for payments to your beneficiary after your death, your benefit will not change even if your beneficiary dies before you do.

In addition to the normal form of benefit payment previously described, following are the optional forms of benefit payment:

Life Only Benefit

Under this form of payment, you would receive a pension for your lifetime which would stop when you die. This is the automatic form of payment if you are not married when benefit payments start. This form of payment pays the largest monthly pension, but stops when you die. If you are married, you may still choose a Life Only Benefit instead of the automatic 100% Joint & Survivor Benefit, but you will need your spouse's written consent.

100% or 50% Joint & Survivor Benefit

Under this form of payment, you would receive a monthly benefit during your lifetime. After your death, 100% or 50% of the reduced benefit would be paid to your beneficiary for the remainder of his or her lifetime. A 100% Joint & Survivor Benefit with your spouse as your beneficiary is the automatic form of payment if you are married when benefit payments start. Because the Joint & Survivor Benefit form of payment pays a benefit to you and to a beneficiary, the monthly benefit amount is less than the monthly amount payable under the Life Only Benefit. The amount of your monthly benefit depends on your age, your beneficiary's age, and the percentage (100% or 50%) of your monthly benefit you choose to have paid to your surviving beneficiary. If you are married and your beneficiary is anyone other than your spouse, your spouse must consent in writing to the form of payment and the beneficiary.

Years Certain Option

Under this form of payment, you choose one of the following periods of time that begins with your Annuity Starting Date: 60, 120, 180 or 240 months. You would receive a monthly benefit during your lifetime. However, should your death occur before the end of the period you have chosen, your beneficiary would receive a benefit of equal amount for the remainder of that period. If your beneficiary dies before the end of the period you have chosen, any remaining payments for that period would be paid to your beneficiary's estate in a lump sum. If there is no designated beneficiary living at the time of your death and you die before the end of the period you have chosen, the benefits for the remainder of the period you have chosen would be paid in a lump sum to your estate, spouse, children or other relatives, as determined by the Employer. Because this form of payment pays a benefit to you or your beneficiary, the benefit amount is less than the monthly amount payable under the Life Only Benefit.

Lump Sum Benefit

Under this form of payment, you would receive a single payment that is the actuarial equivalent of the Life Only Benefit that would otherwise be payable to you at age 65 under the Plan. No payment is made to your beneficiary when you die. If you are married, your spouse must consent in writing to this form of payment. This form of payment is available only if you elect to commence payment of your benefit on or before the 1st day of the month immediately following the 6 month anniversary of your termination of employment. (If you left employment prior to August 1, 2012 with at least 5 years of Vesting 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 December 2012, regardless of the date of your termination of employment and your age or years of Vesting Service at the time of your termination.)

When You Choose Your Pension Option

Generally, you choose your benefit option during the 180 day period before your Annuity Starting Date.

If Your Pension Is Small

If the actuarial value of your pension benefit is $1,000 or less when you terminate employment, the Plan will pay you an equivalent lump sum. Pensions which are less than $20 a month may be paid quarterly, semi-annually or annually, in advance.

If You Work Past Age 70 ½

If you reach age 70 ½ before your benefit payments begin, the Plan is required to make payments to you beginning April 1 of the Plan Year that immediately follows the year in which you reach age 70 ½.

Death Before Benefits Begin

You are automatically covered by a "Surviving Spouse's Benefit" if you die:

- after becoming vested in your benefit under the Plan (after 5 years of Vesting Service);
- having been married to your spouse for at least one year by the time of your death; and
- before you begin to receive benefits from the Plan.

The Surviving Spouse's Benefit coverage provides a benefit to your surviving spouse whether or not you are actively employed when you die. If you die while eligible for this benefit, a monthly benefit would be payable to your surviving spouse beginning on the 1st day of the month following your death. If you die while eligible for this benefit and before reaching age 65, your surviving spouse may decide to delay commencement of his or her monthly benefit until the 1st day of the month following the month in which you would have reached age 65. Your surviving spouse may elect to receive his or her Surviving Spouse's Benefit in an immediate lump sum that is the actuarial equivalent of the monthly benefit as long as the lump sum is paid no later than the 1st day of the month immediately following the month that includes the 6 month anniversary of your death. If the actuarial value of a Surviving Spouse's Benefit is $5,000 or less, the Plan will automatically pay the Surviving Spouse's Benefit in a lump sum.

How a Surviving Spouse's Benefit Is Calculated

The amount of the benefit payable to your surviving spouse depends on how much of your normal retirement benefit you have earned at the time of your death. It also depends on your age at death and the age of your spouse. The monthly amount is based on the benefit amount that you would have been eligible for under the 100% Joint & Survivor Benefit form of payment. The benefit you have earned at your death will be reduced to reflect early commencement (if applicable) and reduced to reflect the 100% Joint & Survivor Benefit form of payment. This net benefit is payable monthly to your eligible surviving spouse.

Death After Benefits Begin

If you die after you have started receiving your benefits, the continuation of benefits, if any, payable to your spouse or beneficiary after your death will depend upon the form of benefit you elected and are receiving at the time of your death.

Breaks in Service

Breaks in service are important because you can lose your years of Vesting Service earned before the break if you are not yet vested.

If you do not work for an Employer for one full year, you will have a "one year break in service" for that year.

However, you will not have a break in service during an approved leave of absence or a layoff if you return to work immediately following such an absence. Also, you will not have a break in service during the 12-month period which begins the day you are first absent because:

- you are pregnant;
- you (or your spouse) give(s) birth to a child, or you adopt a child; or
- you need to care for your child for a period of time following birth or adoption.

If you are absent from work for any of the above reasons, hours will be credited either in the year of your absence (if a break in service would otherwise occur) or in the following year.

If you are not vested and your break in service was shorter than five (5) years, your prior years of Vesting Service will be restored if you again complete one year of Vesting Service. If your break in service is longer than five (5) years, your prior Vesting Service will not be restored.

If you were an employee of an Employer who was participating in the Plan on December 31, 2016 and did not have 5 years of Vesting Service, you were deemed to have 5 years of Vesting Service and were fully vested in your frozen benefit on December 31, 2016.

SECTION IV.

ADDITIONAL INFORMATION

How You Can Lose Your Benefits

There are a few situations which will cause you to lose benefits or to have your benefits temporarily stopped. These are described below:

- No benefits can be paid if you do not apply for benefits or fail to provide the information needed to compute benefits.

- No benefits will be paid over the Plan's legally-specified maximum limitations. The limitations do not apply in most cases. However, you will be specifically notified during your pre-retirement counseling if the limitations do apply to your benefits.

- If the Plan is terminated without enough assets to fund the benefits not guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), full benefits may not be paid. For information on the PBGC guaranteed benefits, see page 13.

- All benefits under the Plan will be lost if you terminate employment before becoming vested and are never re-employed by an Employer.

- If you have a Break in Service before becoming vested and you are re-employed by an Employer, you may still lose all of your prior Vesting Service. See the "Breaks in Service" section on page 8.

- All benefits will be lost under the Plan if you die before becoming vested.

- All benefits will be lost under the Plan if you die before payments begin and at the time of your death you have not been married for at least one year.

- No benefits will be paid if you continue working beyond your Normal Retirement Date, until you retire or, if earlier, you are legally required to begin receiving benefits.

Non-Assignability of Benefits and Qualified Domestic Relations Orders

The exclusive purpose of the Plan is to provide benefits for you and your survivors. Assets held by the Plan 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 Plan must obey a so-called "Qualified Domestic Relations Order" (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 Plan has no choice in these matters. The Plan 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.

If you would like to have more detailed information on this subject, please contact the Human Resources department in Gainesville, Georgia and it will provide such information to you free of charge.

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 Plan, you or your beneficiary must repay the excess amount to the Plan. The Plan may 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 Lincoln Electric Company.

Uniformed Services Reemployment Rights

If you left your Employer to serve in one of the "uniformed services" of the United States and returned to employment, you may be entitled to benefits and service credit under the Plan 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 department in Gainesville, Georgia.

Plan Administration

The Lincoln Electric Company (the "Company") is the administrator of the Plan. It will employ attorneys, agents, actuaries and/or accountants to assist in carrying out these duties.

The Company makes the rules and regulations necessary for the day-to-day operations of the Plan. The Company has the sole authority to interpret and construe the terms of the Plan, including determining eligibility for and amount of benefits thereunder.

Filing a Claim for Benefits Under the Plan

If you wish to file a claim for benefits under the Plan, the Company will, upon request, supply you with all the necessary forms. You may request these forms from the Human Resources department in Gainesville, Georgia.

Subject to Plan rules, you will be able to decide when you want your benefits to start and the form in which they will be paid at the time you file your claim.

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 (45 days, in the case of a claim for a disability retirement benefit). The Company may extend this period for an additional 90 days in the case of a claim other than for a disability retirement benefit, 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 (45-day period, in the case of a claim for a disability retirement benefit). In the case of a claim for a disability retirement benefit, the extension may be up to 60 days, provided that the Company provides the required notifications prescribed by the Plan. 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 Plan 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 such material or information is necessary, (d) contain a description of the Plan's review procedures, and the time limits applicable to such 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, and (e) with respect to a claim for a disability retirement benefit, contain the specific rule, guideline, protocol or other similar criterion, if any, that was relied upon in making the decision and a statement that a copy of the rule, guideline, protocol, or other similar criterion will be provided to you free of charge upon request.

Within 6 months after receipt of a notification of a denial of a claim, you may appeal the denial by filing with the Company a written request for a review 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. In the case of the review of a denial of a disability retirement benefit claim, the review (a) will not give deference to the initial determination, (b) will be conducted by a fiduciary who is neither the individual who made the initial adverse determination nor the subordinate of such individual, (c) will provide for, in the case of an appeal of any denial of a disability retirement benefit claim that is based on a medical judgment, consultation with a health care professional experienced in the field of medicine involved in such medical judgment who is neither the individual originally consulted in connection with the denial of the claim that is the subject of the appeal nor the subordinate of such individual, and (d) will provide for the identification of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the denial, whether or not such advice was relied upon in making the initial 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 (45 days, in the case of the review of a claim for a disability retirement benefit) 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 (45-day period, in the case of the review of a claim for a disability retirement benefit). In no event will the extension exceed a period of 60 days (45 days, in the case of the review of a claim for a disability retirement benefit) 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 Plan 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, (d) contain a statement of your right to bring an action under Section 502(a) of ERISA, and (e) with respect to a notice of an adverse benefit determination with respect to a claim for a disability retirement benefit, contain the specific rule, guideline, protocol or other similar criterion, if any, that was relied upon in making the adverse determination and a statement that a copy of the rule, guideline, protocol, or other similar criterion will be provided to you free of charge upon request. 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 Plan are to be addressed to the Human Resources department in Gainesville, Georgia.

Pension Benefit Guaranty Corporation

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 of the pension benefits they would have received under their plan, but some people may lose certain benefits.

The PBGC guarantee generally covers: (1) normal and early retirement benefits; (2) disability benefits if you become disabled before the Plan terminates; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates; (2) some or all of the benefit increases and new benefits based on Plan provisions that have been in place for fewer than 5 years at the time the Plan terminates; (3) benefits that are not vested because you have not worked long enough for the Employer; (4) benefits for which you have not met all of the requirements at the time the Plan terminates; (5) 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 (age 65); and (6) 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 had 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 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 (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.

Amendment or Termination of the Pension Plan

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

In the event of a termination of the Plan, the rights of all employees to benefits earned and funded at the date of the Plan termination shall 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 regulations and approval of the PBGC. Excess funds may revert to the Company, provided all accrued Plan benefits are satisfied.

The Employee Retirement Income Security Act of 1974

As a participant in the Plan, 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 insurance contracts, and 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 insurance contracts and copies of the latest annual report (Form 5500 Series) and an updated summary plan description. The Plan 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 pension at Normal Retirement Age (age 65 or later) 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 employee benefit 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 Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a 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 Plan 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, for example, if it finds your claim is frivolous.

If you have any questions about your Plan, you should contact the Plan Administrator. If you 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 La Salle Street Chicago, Illinois 60603 (312) 630-6000
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 Dates	Plan Year ends December 31. Fiscal records are kept on a Plan Year basis.
Type of Plan, Contributions and Funding Medium	The Plan 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 Plan Sponsor are actuarially determined. The assets of the Plan are accumulated in, and benefits disbursed through, a trust, which has been established by a Trust Agreement with the Trustee.

Sample Retirement Pension Calculation

Example 1: Normal Retirement – Life Only Benefit

Assumed Employee Data

1.	Date of Birth	December 20, 1955
2.	Date of Hire	August 1, 1986
3.	Retirement Choice 401(k) Election	Declined
4.	Date of Severance	December 31, 2020
5.	Normal Retirement Date	January 1, 2021
6.	Annuity Starting Date	January 1, 2021
7.	Compensation under the Plan prior to the 401(k) Choice (from April 1, 1990 to December 31, 2007)	$584,000
8.	Accrued Monthly Benefit at January 1, 2008 payable at Normal Retirement Date [Item 7 x 1.5% ÷ 12]	$730 / month
9.	Compensation and Monthly Benefit Accrual after the 401(k) Choice and before accrual freeze (from January 1, 2008 to December 31, 2016)	$493 / month

Year	Base Compensation	1.5% x Base Compensation ÷ 12
2008	$40,000	$50 / month
2009	40,800	51 / month
2010	42,400	53 / month
2011	43,200	54 / month
2012	44,000	55 / month
2013	44,800	56 / month
2014	45,600	57 / month
2015	46,400	58 / month
2016	47,200	59 / month
Total	$394,400	$493 / month

10.	Estimated Monthly Benefit Payable at Normal Retirement Date [Item 8 + Item 9]	$1,223 / month

Remember, this monthly pension is a Life Only Benefit. The amount of this benefit would change if an optional form of payment is chosen or is required under the terms of the Plan.

Sample Retirement Pension Calculation

Example 2: Early Retirement – Life Only Benefit

Assumed Employee Data

1.	Date of Birth	December 20, 1955
2.	Date of Hire	August 1, 1986
3.	Retirement Choice 401(k) Election	Declined
4.	Date of Severance	December 31, 2017
5.	Normal Retirement Date	January 1, 2021
6.	Annuity Starting Date	January 1, 2018
7.	Compensation under the Plan prior to the 401(k) Choice (from April 1, 1990 to December 31, 2007)	$584,000
8.	Accrued Monthly Benefit at January 1, 2008 payable at Normal Retirement Date [Item 7 x 1.5% ÷ 12]	$730 / month
9.	Compensation and Monthly Benefit Accrual after the 401(k) Choice and before accrual freeze (from January 1, 2008 to December 31, 2016)	$493 / month

Year	Base Compensation	1.5% x Base Compensation ÷ 12
2008	$40,000	$50 / month
2009	40,800	51 / month
2010	42,400	53 / month
2011	43,200	54 / month
2012	44,000	55 / month
2013	44,800	56 / month
2014	45,600	57 / month
2015	46,400	58 / month
2016	47,200	59 / month
Total	$394,400	$493 / month

10.	Estimated Monthly Benefit Payable at Normal Retirement Date [Item 8 + Item 9]	$1,223 / month
11.	Age 62 Early Reduction Factor	73%
12.	Monthly Benefit payable at age 62	$893 / month

Remember, this monthly pension is a Life Only Benefit. The amount of this benefit would change if an optional form of payment is chosen or is required under the terms of the Plan.

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Sample Retirement Pension Calculation

Example 3: Immediate Retirement before Age 55 – Lump Sum

Assumed Employee Data

1.	Date of Birth	August 8, 1972
2.	Date of Hire	June 1, 2004
3.	Retirement Choice 401(k) Election	Elected
4.	Date of Severance	August 30, 2018
5.	Normal Retirement Date	September 1, 2037
6.	Lump Sum Date	December 1, 2018
7.	Compensation under the Plan prior to the 401(k) Choice (from January 1, 2005 to December 31, 2007)	$200,000
8.	Accrued Monthly Benefit at January 1, 2008 payable at Normal Retirement Date [Item 7 x 1.5% ÷ 12]	$250 / month
9.	Monthly Benefit Accrual after the 401(k) Choice and before accrual freeze (from January 1, 2008 to December 31, 2016)	$0 / month
10.	Estimated Monthly Benefit Payable at Normal Retirement Date [Item 8 + Item 9]	$250 / month
11.	Lump Sum Factor	6
12.	Lump Sum Equivalent on December 1, 2012 [Item 10 x Item 11 x 12]	$18,000

Remember, this is a Lump Sum. No further payments from the plan would be payable.

The lump sum factors vary depending on your age and the IRS mandated interest rates and mortality tables in effect on your lump sum payment date. The lump sum option is only available within 6 months of severance from employment.