ANNUAL FUNDING NOTICE
For
Jamaica Bearings Co., Inc. Pension Trust

Introduction

This notice includes important funding information about your pension plan ("the Plan") and also provides a summary of federal rules governing the termination of single-employer defined benefit pension plans and of benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal agency. This notice is for the plan year beginning January 1, 2018 and ending December 31, 2018 ("Plan Year").

Funding Target Attainment Percentage

The funding target attainment percentage of a plan is a measure of how well the plan is funded on a particular date. This percentage for a plan year is obtained by dividing the Plan's Net Plan Assets by Plan Liabilities for Accrued Benefits on the Valuation Date. In general, the higher the percentage, the better funded the plan. The Plan's funding target attainment percentages for the Plan Year and the two preceding plan years are shown in the chart below, along with a statement of the value of the Plan's assets and liabilities for the respective periods.

	2018	2017	2016
1. Valuation Date	1/1/2018	1/1/2017	1/1/2016
2. Plan Assets			
a. Total Plan Assets	27,663,704	23,592,859	20,076,209
b. Funding Standard Carryover Balance	568,043	492,068	427,699
c. Prefunding Balance	4,089,053	3,542,146	3,078,788
d. Net Plan Assets (d) = (a) – (b) – (c)	23,006,608	19,558,645	16,569,722
3. Plan Liabilities for Accrued Benefits	18,497,100	16,324,984	14,610,186
4. At-Risk Liabilities	N/A	N/A	N/A
5. Funding Target Attainment Percentage (2d)/(3)	124.38%	119.80%	113.41%

Credit Balances

Credit balances were subtracted from the Plan's assets before calculating the funding target attainment percentage in the chart above. While pension plans are permitted to maintain credit balances (called "funding standard carryover balance" or "prefunding balance") for funding purposes, such credits may not be taken into account when calculating a plan's funding target attainment percentage. A plan might have a credit balance, for example, if in a prior year an employer made contributions at a level in excess of the minimum level required by law. Generally, the excess payments are counted as "credits" and may be applied in future years toward the minimum level of contributions a plan sponsor is required by law to make to the plan.

Fair Market Value of Assets

Asset values in the chart above are market values, which tend to show a clearer picture of a plan's funded status as of a given point in time. However, because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values for funding purposes. As of December 31, 2018, the fair market value of the Plan's assets was $ 25,121,513. On this same date, the Plan's liabilities were $ 23,263,643.26.

Participant Information

The total number of participants in the plan as of the Plan's valuation date was 210. Of this number, 112 were active participants, 49 were retired or separated from service and receiving benefits, and 49 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

The law requires that every pension plan have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of contributions needed to pay for promised benefits. The funding policy of the Plan is to contribute at least the minimum amount required to satisfy the funding requirements and additional amounts based upon the financial well being of the Company. The Company intends to sufficiently fund the Plan to avoid benefit restrictions, notices of underfunding being given to participants and the payment of PBGC variable premiums. All of this is with the understanding and willingness to accept higher pension contributions in the future.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning various types or categories of investment management decisions. The investment policy of the Plan is to reasonably diversify the assets in order to reduce risk and to choose investments which can be expected to avoid asset erosion by inflation. The policy will also provide for sufficient liquid assets to allow the Plan to pay monthly retirement benefits and make distributions on short notice. In addition, the policy will stress the security and long-term stability of Plan assets.

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Interest-bearing cash	2.2
2. U.S. Government securities	
3. Corporate debt instruments (other than employer securities):	
Preferred	
All other	
4. Corporate stocks (other than employer securities):	
Preferred	
Common	97.8
5. Partnership/joint venture interests	
6. Real estate (other than employer real property)	
7. Loans (other than to participants)	
8. Participant loans	
9. Value of interest in common/collective trusts	
10. Value of interest in pooled separate accounts	
11. Value of interest in master trust investment accounts	
12. Value of interest in 103-12 investment entities	
13. Value of interest in registered investment companies (e.g., mutual funds)	
14. Value of funds held in insurance co. general account (unallocated contracts)	
15. Employer-related investments:	
Employer Securities	
Employer real property	
16. Buildings and other property used in plan operation	
17. Other	

Events with Material Effect on Assets or Liabilities

No events are expected to have a material effect on plan liabilities or assets during the plan year beginning on January 1, 2019 and ending on December 31, 2019.

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor an annual report (i.e., Form 5500) containing financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator.

Summary of Rules Governing Termination of Single-Employer Plans

Employers can end a pension plan through a process called "plan termination." There are two ways an employer can terminate its pension plan. The employer can end the plan as a "standard termination," but only after showing the PBGC that the plan has enough money to pay all benefits owed to participants. For each participant, the plan must either purchase an annuity from an insurance company (which provides a lifetime benefits at retirement) or, if your plan allows, issue one lump-sum payment that covers your entire benefit. Before purchasing your annuity, your plan administrator must give you advance notice that identifies the insurance company (or companies) that your employer may select to provide the annuity. The PBGC's guarantee ends when your employer purchases annuities or pays lump-sum benefits.

If the plan is not fully-funded, the employer may apply for a distress termination if the employer is in financial distress. To do so, however, the employer must prove to a bankruptcy court or to the PBGC that the employer cannot remain in business unless the plan is terminated. If the application is granted, the PBGC will take over the plan as trustee and pay plan benefits, up to the legal limits, using plan assets and PBGC guarantee funds.

Under certain circumstances, the PBGC may take action on its own to end a pension plan. Most terminations initiated by the PBGC occur when the PBGC determines that plan termination is needed to protect the interests of plan participants or of the PBGC insurance program. The PBGC can do so if, for example, a plan does not have enough money to pay benefits currently due.

Benefit Payments Guaranteed by the PBGC

If a single-employer pension plan terminates without enough money to pay all benefits, the PBGC will take over the plan and pay pension benefits through its insurance program. Most participants and beneficiaries receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits that are not guaranteed.

The PBGC pays pension benefits up to certain maximum limits. The maximum guaranteed benefit is $ 5,420.45 per month, or $ 65,045.40 per year, payable in the form of a straight life annuity, for a 65-year-old person in a plan that terminates in 2018. The maximum benefit may be reduced for an individual who is younger than age 65. The maximum benefit will also be reduced when a benefit is provided to a survivor of a plan participant.

The PBGC guarantees "basic benefits" earned before a plan is terminated, which include:

- pension benefits payable at normal retirement age;
- annuity benefits for survivors of plan participants; and
- disability benefits for a disability that occurred before the date the plan terminated.

The PBGC does not guarantee certain types of benefits:

- The PBGC does not guarantee benefits for which you do not have a vested right when a plan terminates, usually because you have not worked enough years for the company.
- The PBGC does not guarantee benefits for which you have not met all age, service, or other requirements at the time the plan terminates.
- Benefit increases and new benefits that have been in place for less than one year are not guaranteed. Those that have been in place for less than five years are only partly guaranteed.
- The PBGC generally does not pay lump sums exceeding $ 5,000.

Even if certain benefits are not guaranteed, participants and beneficiaries still may receive some of those benefits from the PBGC depending on how much money the terminated plan has and how much the PBGC collects from the employer.

Where to Get More Information

For more information about this notice, you may contact Linda Hofmann, at (516) 326-1350 or at Jamaica Bearings Co., Inc., P.O. Box 1080, New Hyde Park, NY 11040-0413 or LHofmann@JamaicaBearings.com. For identification purposes, the plan number is 001 and the plan sponsor's employer identification number or "EIN" is 11-2596748. For more information about the PBGC and benefit guarantees, go to PBGC's website, www.pbgc.gov, or call the PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).