

Altra Industrial Motion Corp.  
Form S-4/A  
August 10, 2018  
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As filed with the U.S. Securities and Exchange Commission on August 10, 2018

Registration No. 333-224750

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

**WASHINGTON, D.C. 20549**

**Amendment No. 3**

to

**FORM S-4**

**REGISTRATION STATEMENT**

***UNDER THE SECURITIES ACT OF 1933***

**ALTRA INDUSTRIAL MOTION CORP.**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State or other jurisdiction of**  
**incorporation or organization)**

**3569**  
**(Primary Standard Industrial**  
**Classification Code Number)**

**61-1478870**  
**(I.R.S. Employer**  
**Identification Number)**

**c/o Altra Industrial Motion Corp. 300 Granite Street, Suite 201**

**Braintree, MA 02184**

**(781) 917-0600**

**(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)**

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**Vice President, Legal & Human Resources, General Counsel and Secretary**

**Altra Industrial Motion Corp. 300 Granite Street, Suite 201**

**Braintree, MA 02184**

**(781) 917-0600**

**(Name, address, including zip code, and telephone number, including area code, of agent for service)**

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**Approximate date of commencement of the proposed sale of the securities to the public:** As soon as possible following the effective date of this registration statement and satisfaction or waiver of all other conditions to the consummation of the Exchange Offer and Merger described herein.

If the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box.

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If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided to Section 7(a)(2)(B) of the Securities Act.

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

**The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this registration statement shall become effective on such date as the U.S. Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**



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**EXPLANATORY NOTE**

Altra Industrial Motion Corp. ( Altra ) is filing this registration statement on Form S-4 (Registration No. 333-224750) to register the shares of its common stock, par value \$0.001 per share ( Altra common stock ), that will be issued in the merger (the Merger ) of McHale Acquisition Corp., a Delaware corporation ( Merger Sub ), which is a wholly-owned subsidiary of Altra, with and into Stevens Holding Company, Inc., a Delaware corporation ( Newco ), which is a wholly-owned subsidiary of Fortive Corporation, a Delaware corporation ( Fortive ), whereby the separate corporate existence of Merger Sub will cease and Newco will continue as the surviving company and a wholly-owned subsidiary of Altra. Prior to the Merger, Fortive will transfer certain assets, liabilities and entities within its automation & specialty platform, but excluding its Hengstler and Dynapar businesses (such businesses to be transferred, the A&S Business ), to Newco or its subsidiaries. In exchange therefor, Fortive will receive shares of Newco common stock, as well as the Newco Securities and the Cash Dividend (in each case, as such terms are defined below), and the shares of Newco common stock will be distributed to Fortive stockholders as provided below. In addition, prior to the Merger, Fortive will transfer certain non-U.S. assets, liabilities and entities of the A&S Business to certain subsidiaries of Altra, and the Altra subsidiaries will assume substantially all of the liabilities associated with the transferred assets.

Newco is a newly formed, wholly-owned subsidiary of Fortive that was organized specifically for the purpose of effecting the Separation (as defined below). Newco has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and those incurred in connection with the Transactions (as defined below). The shares of Newco common stock will be immediately converted into shares of Altra common stock (as defined below) upon completion of the Transactions. Altra will file a proxy statement that relates to the special meeting of stockholders of Altra to approve the issuance of shares of Altra common stock in the Merger. In addition, Newco will file a registration statement on Form S-4 and Form S-1 (Registration No. 333-224754) to register the offer of shares of common stock, which shares will be distributed to Fortive stockholders.

Based on market conditions prior to the closing of the Merger, including, but not limited to, the relative valuation and market price of shares of common stock of Fortive and Altra, the implied valuation of the A&S Business, the likelihood of demand from stockholders of Fortive for shares of common stock of Altra to be issued in the Transactions and the assessment by Fortive and its financial advisors on the likelihood of sufficient tenders of shares of common stock of Fortive in a split-off, Fortive will determine whether the shares of Newco common stock will be distributed to Fortive's stockholders in a spin-off or a split-off. In a spin-off, all Fortive stockholders would receive a pro rata number of shares of Newco common stock. In a split-off, Fortive would offer its stockholders the option to exchange all or a portion of their shares of Fortive common stock for shares of Newco common stock in the Exchange Offer. If the Exchange Offer is undertaken and consummated, but the Exchange Offer is not fully subscribed because fewer than all of the shares of Newco common stock owned by Fortive are exchanged, the remaining shares of Newco common stock owned by Fortive would be distributed on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding after consummation of the Exchange Offer. If the Exchange Offer is terminated by Fortive without the exchange of shares (but the conditions to consummation of the Transactions have otherwise been satisfied), all shares of Newco common stock owned by Fortive will be distributed in a spin-off. After the distribution of the shares of Newco common stock in a split-off or spin-off (in the event the Exchange Offer is not fully subscribed), the shares of Newco common stock will immediately be converted into shares of Altra common stock in the Merger. Newco is filing this registration statement under the assumption that the shares of Newco common stock will be distributed to Fortive stockholders pursuant to a split-off. Altra's registration statement on Form S-4 also assumes that the shares of Newco common stock will be distributed to Fortive stockholders pursuant to a split-off. Once a final decision is made regarding the manner of distribution of the shares, this registration statement on Form S-4 and Form S-1, Altra's registration statement on Form S-4 will be amended to reflect that decision, if

necessary.

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**The information in this prospectus is not complete and may change. The Exchange Offer and issuance of securities being registered pursuant to the registration statement of which this prospectus forms a part may not be completed until the registration statement is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities, in any jurisdiction where such offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED AUGUST 10, 2018**

**PRELIMINARY PROSPECTUS OFFER TO EXCHANGE**

**FORTIVE CORPORATION**

**Offer to Exchange All Common Stock of**

**STEVENS HOLDING COMPANY, INC.**

**which are owned by Fortive Corporation**

**and will be converted into Shares of Common Stock of**

**ALTRA INDUSTRIAL MOTION CORP.**

**for**

**Shares of Common Stock of Fortive Corporation**

*Fortive Corporation ( Fortive ) is offering to exchange all shares of common stock ( Newco common stock ) of Stevens Holding Company, Inc. ( Newco ) owned by Fortive for shares of common stock of Fortive ( Fortive common stock ) that are validly tendered and not properly withdrawn. The terms and conditions of this Exchange Offer (as defined below) are described in this prospectus, which you should read carefully. None of Fortive, Newco, any of their respective directors or officers nor any of their respective representatives makes any recommendation as to whether you should participate in this Exchange Offer. You must make your own decision after reading this prospectus and consulting with your advisors.*

*Fortive's obligation to exchange shares of Newco common stock for shares of Fortive common stock is subject to the satisfaction of certain conditions, including conditions to the consummation of the Transactions (as defined below), which include approval by the stockholders of Altra Industrial Motion Corp. ( Altra ) of the issuance of shares of common stock of Altra ( Altra common stock ) in the Merger (as defined below).*

*The Transactions are being undertaken to transfer the A&S Business (as defined below) from Fortive to Altra. The aggregate value of the consideration to be paid to Fortive or Fortive stockholders with respect to the A&S Business in the Transactions is estimated, as of August 3, 2018, to be approximately \$2.9 billion, consisting of (i) approximately*



*\$1.5 billion in value of Altra common stock (calculated based on the closing price on Nasdaq of the Altra common stock as of August 3, 2018) issuable to Fortive stockholders that participate in this Exchange Offer, (ii) \$1.0 billion in cash payable to certain subsidiaries of Fortive in respect of the Direct Sales (as defined below) and (iii) \$400 million payable to Fortive as a result of the Cash Dividend and issuance of the Newco Securities (as such terms are defined below), as such Transactions are each described in further detail below.*

*Immediately following the consummation of this Exchange Offer, a wholly-owned subsidiary of Altra named McHale Acquisition Corp., a Delaware corporation ( Merger Sub ), will be merged with and into Newco, whereby the separate corporate existence of Merger Sub will cease and Newco will continue as the surviving company (the Merger ). In the Merger, each outstanding share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into the right to receive a number of duly authorized, validly issued, fully paid and nonassessable shares of Altra common stock equal to (x) 35 million shares of Altra common stock divided by (y) the aggregate number of shares of Newco common stock issued and outstanding as of immediately prior to the effective time of the Merger. In addition, Newco will authorize the issuance of a number of shares of Newco common stock such that the total number of shares of Newco common stock outstanding immediately prior to the Merger will be that number that results in the*

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exchange ratio in the Merger equaling one. As a result, each share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into one share of Altra common stock in the Merger. The aggregate number of shares of Altra common stock to be issued in the Merger by Altra is expected to result in pre-Merger holders of shares of Newco common stock and Newco employees collectively owning approximately 54% of the issued and outstanding shares of Altra common stock on a fully-diluted basis after giving effect to the Merger and Altra's existing stockholders collectively owning approximately 46% of the issued and outstanding shares of Altra common stock on a fully-diluted basis. Newco common stock will not be issued to participants in this Exchange Offer; such participants will instead receive shares of Altra common stock in the Merger. No trading market currently exists for Newco common stock. You will not be able to trade shares of Newco common stock before they are converted into shares of Altra common stock in the Merger. In addition, there can be no assurance that shares of Altra common stock, when issued in the Merger, will trade at the same prices that shares of Altra common stock are traded at prior to the Merger.

The value of Fortive common stock and Newco common stock will be determined by Fortive by reference to the simple arithmetic average of the daily volume-weighted average prices ( VWAP ) on each of the Valuation Dates (as defined below) of Fortive common stock on the New York Stock Exchange ( NYSE ) and Altra common stock on the Nasdaq Global Market ( Nasdaq ) on each of the last full three trading days ending on and including the third trading day preceding the expiration date of the Exchange Offer period ( Valuation Dates ), as it may be voluntarily extended. Based on an expiration date of \_\_\_\_\_, 2018, the Valuation Dates are expected to be \_\_\_\_\_, 2018, \_\_\_\_\_, 2018, and \_\_\_\_\_, 2018. See The Exchange Offer Terms of this Exchange Offer.

This Exchange Offer is designed to permit you to exchange your shares of Fortive common stock for shares of Newco common stock at a \_\_\_\_\_% discount to the per-share value of Altra common stock, calculated as set forth in this prospectus, subject to the upper limit described below. For each \$100 of Fortive common stock accepted in this Exchange Offer, you will receive approximately \$ \_\_\_\_\_ of Newco common stock, subject to an upper limit of \_\_\_\_\_ shares of Newco common stock per share of Fortive common stock. This Exchange Offer does not provide for a minimum exchange ratio. See The Exchange Offer Terms of this Exchange Offer. If the upper limit is in effect, then the exchange ratio will be fixed at that limit. **IF THE UPPER LIMIT IS IN EFFECT, AND UNLESS YOU PROPERLY WITHDRAW YOUR SHARES, YOU WILL RECEIVE LESS THAN \$ \_\_\_\_\_ OF NEWCO COMMON STOCK FOR EACH \$100 OF FORTIVE COMMON STOCK THAT YOU TENDER, AND YOU COULD RECEIVE MUCH LESS.**

The indicative exchange ratio that would have been in effect following the official close of trading on the NYSE and Nasdaq, as applicable, on \_\_\_\_\_, 2018 (the second to last trading day before the date of this prospectus), based on the daily VWAPs of Fortive common stock and Altra common stock on \_\_\_\_\_, 2018, \_\_\_\_\_, 2018, and \_\_\_\_\_, 2018, would have provided for \_\_\_\_\_ shares of Newco common stock to be exchanged for every share of Fortive common stock accepted. The value of Newco common stock received and, following the Merger, the value of Altra common stock received may not remain above the value of Fortive common stock tendered following the expiration of this Exchange Offer.

**THIS EXCHANGE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 8:00 A.M., NEW YORK CITY TIME, ON \_\_\_\_\_, 2018, UNLESS THE OFFER IS EXTENDED OR TERMINATED. SHARES OF FORTIVE COMMON STOCK TENDERED PURSUANT TO THIS EXCHANGE OFFER MAY BE WITHDRAWN AT ANY TIME PRIOR TO THE EXPIRATION OF THIS EXCHANGE OFFER.**

**In reviewing this prospectus, you should carefully consider the risk factors beginning on page 55 of this prospectus.**

**We Are Not Asking You for a Proxy and You are Requested Not To Send Us a Proxy.**

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**Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

**The date of this prospectus is \_\_\_\_\_, 2018.**

*The final exchange ratio used to determine the number of shares of Newco common stock that you will receive for each share of Fortive common stock accepted in this Exchange Offer will be announced by press release no later than 9:00 a.m., New York City time, on the second to last full trading day prior to the expiration date. At such time, the final exchange ratio will be available at <http://investors.fortive.com/altra> and from the information agent at the toll-free number provided on the back cover of this prospectus. Fortive will announce whether the upper limit on the number of shares that can be received for each share of Fortive common stock tendered will be in effect, through <http://investors.fortive.com/altra> and by press release, no later than 9:00 a.m., New York City time, on the second to last full trading day prior to the expiration date. Throughout this Exchange Offer, indicative exchange ratios (calculated in the manner described in this prospectus) will also be available on that website and from the information agent at the toll-free number provided on the back cover of this prospectus.*

*This prospectus provides information regarding Fortive, Newco, Altra, this Exchange Offer and the Merger in which shares of Fortive common stock may be exchanged for shares of Newco common stock which will then be immediately converted into shares of Altra common stock and distributed to participating Fortive stockholders as described herein. Fortive stock is listed on the NYSE under the symbol FTV. Altra common stock is listed on Nasdaq under the symbol AIMC. On \_\_\_\_\_, 2018, the last reported sale price of Fortive common stock on the NYSE was \$ \_\_\_\_\_, and the last reported sale price of Altra common stock on Nasdaq was \$ \_\_\_\_\_. The market prices of Fortive common stock and of Altra common stock will fluctuate prior to the completion of this Exchange Offer and thereafter and may be higher or lower at the expiration date than the prices set forth above. No trading market currently exists for Newco common stock. Newco has not applied for listing of Newco common stock on any exchange.*

*If this Exchange Offer is consummated but is not fully subscribed because less than all the shares of Newco common stock owned by Fortive are exchanged, the remaining shares of Newco common stock owned by Fortive will be distributed to Fortive stockholders whose shares of Fortive common stock remain outstanding after the consummation of this Exchange Offer pursuant to a pro rata distribution (a "clean-up spin-off"). Any Fortive stockholder who validly tenders (and does not properly withdraw) shares of Fortive common stock for shares of Newco common stock and whose shares are accepted in this Exchange Offer will waive their rights with respect to such shares to receive, and forfeit any rights to, shares of Newco common stock distributed on a pro rata basis to Fortive stockholders in the event that this Exchange Offer is not fully subscribed. This prospectus covers all shares of Newco common stock offered by Fortive in this Exchange Offer and all shares of Newco common stock that may be distributed by Fortive in the spin-off to holders of shares of Fortive common stock. If this Exchange Offer is terminated by Fortive without the exchange of shares (but the conditions to consummation of the Transactions have otherwise been satisfied), all shares of Newco common stock owned by Fortive will be distributed in the spin-off on a pro rata basis to holders of Fortive common stock. See "The Exchange Offer Distribution of Newco Common Stock Remaining After this Exchange Offer."*

*Following the consummation of this Exchange Offer, in the Merger, Merger Sub will be merged with and into Newco, whereby the separate corporate existence of Merger Sub will cease and Newco will continue as the surviving company. In the Merger, each outstanding share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into the right to receive a number of fully paid and nonassessable shares of Altra common stock equal to (x) 35 million shares of Altra common stock divided by (y) the*

*aggregate number of shares of Newco common stock issued and outstanding as of immediately prior to the effective time of the Merger. Newco will authorize the issuance of a number of shares of Newco common stock such that the total number of shares of Newco common stock outstanding immediately*

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*prior to the Distribution will be that number that results in the exchange ratio in the Merger equaling one. As a result, each share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into one share of Altra common stock in the Merger.*

*Fortive's obligation to exchange shares of Newco common stock for Altra common stock is subject to the conditions listed under *The Exchange Offer Conditions to Consummation of this Exchange Offer*, including the satisfaction of conditions to the Merger, which include the Altra stockholder approval of the issuance of Altra common stock in connection with the Merger, and other conditions.*

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**This prospectus incorporates by reference important business and financial information about Fortive and Altra from documents filed with the SEC that have not been included in or delivered with this prospectus. This information is available without charge at the website that the SEC maintains at [www.sec.gov](http://www.sec.gov), as well as from other sources. See **Where You Can Find More Information; Incorporation By Reference**. You also may ask any questions about this Exchange Offer or request copies of the Exchange Offer documents and the other information incorporated by reference in this prospectus, without charge, upon written or oral request to Fortive's information agent, D.F. King & Co. Inc., located at 48 Wall Street, 22<sup>nd</sup> floor, New York, NY 10005, at the telephone number (800) 515-4479 or at the email address [ftv@dfking.com](mailto:ftv@dfking.com). In order to receive timely delivery of the documents, you must make your requests no later than \_\_\_\_\_, 2018.**

**If you participate in the Fortive Stock Fund through either of the Fortive Savings Plans, you may ask questions about this Exchange Offer with respect to the plan, without charge, upon written or oral request to the trustee of the trust established under the plans, Fidelity Management Trust Company, located at 245 Summer Street, Boston, MA 02210 or at the telephone number (877) 440-4015.**

**All information contained or incorporated by reference in this prospectus with respect to Altra, Merger Sub and their respective subsidiaries, as well as information on Altra after the consummation of the Transactions, has been provided by Altra. All other information contained or incorporated by reference in this prospectus**

**with respect to Fortive, Newco or their respective subsidiaries, or the A&S Business, and with respect to the terms and conditions of this Exchange Offer, has been provided by Fortive.**

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**This prospectus is not an offer to sell or exchange and it is not a solicitation of an offer to buy any shares of Fortive common stock, Newco common stock or Altra common stock in any jurisdiction in which the offer, sale or exchange is not permitted. Non-U.S. stockholders should consult their advisors in considering whether they may participate in this Exchange Offer in accordance with the laws of their home countries and, if they do participate, whether there are any restrictions or limitations on transactions in the shares of Newco common stock that may apply in their home countries. Fortive, Newco and Altra cannot provide any assurance about whether such limitations may exist. See **The Exchange Offer Certain Matters Relating to Non-U.S. Jurisdictions** for additional information about limitations on this Exchange Offer outside the United States.**

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**HELPFUL INFORMATION**

Certain abbreviations and terms used in the text and notes are defined below:

<b>Abbreviation/Term</b>	<b>Description</b>
A&S Assets	The assets of the A&S Business designated as A&S Assets in the Separation Agreement, as described in the section of this document entitled The Separation Agreement The Separation Transfer of Assets
A&S Business	The Automation & Specialty platform of Fortive and its subsidiaries as conducted by them under certain related brands, including by the Portescap, Kollmorgen, Thomson and Jacobs Vehicle Systems operating companies, the A&S Companies and the Direct Sales Asset Sellers, but excluding Fortive's Hengstler and Dynapar businesses
A&S Companies	Newco and its subsidiaries, after giving effect to the Newco Transfer, and the Direct Sales Entities (and their subsidiaries)
A&S Liabilities	The liabilities of the A&S Business designated as A&S Liabilities in the Separation Agreement, as described in the section of this document entitled The Separation Agreement The Separation Assumption of Liabilities
Above-Basis Amount	\$1.4 billion minus the Basis Amount minus the Direct Sales Purchase Price
Altra	Altra Industrial Motion Corp.
Altra Bylaws	Altra's Second Amended and Restated Bylaws (as they may be amended)
Altra Charter	Altra's Second Amended and Restated Certificate of Incorporation (as it may be amended)
Altra common stock	The common stock, par value \$0.001 per share, of Altra
Altra Commitment Parties	Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A., Wells Fargo Securities, LLC, Wells Fargo Bank, National Association, Citigroup Global Markets Inc., UBS Securities LLC, UBS AG, Stamford Branch, HSBC Securities (USA) Inc., HSBC Bank USA, National Association, MUFG Union Bank, N.A., BMO Harris Bank N.A., Bank of Montreal, BMO Capital Markets Corp., Citizens Bank, N.A., Royal Bank of Canada, RBC Capital Markets, The Toronto-Dominion Bank, New York Branch, TD Securities (USA) LLC, TD Bank, N.A. and U.S. Bank National Association
Altra Companies	Altra and each of Altra's subsidiaries, including Merger Sub
Altra Equity Plan	Altra's 2014 Omnibus Incentive Plan
Altra Form S-4 Registration Statement	Altra's registration statement on Form S-4 to be filed with the SEC in connection with the issuance of Altra common stock pursuant to the Merger, as such registration statement may be amended prior to the time it



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becomes effective under the Securities Act

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<b>Abbreviation/Term</b>	<b>Description</b>
Altra Products	Products or services (i) both (x) designated or developed and (y) sold, or (ii) under development and substantially completed, or (iii) manufactured, sold or distributed, in each of the foregoing (i), (ii) and (iii), by or on behalf of the Altra Companies as of the date of the Merger Agreement, including the products listed in the Altra disclosure letter to the Merger Agreement
Altra Superior Offer	An unsolicited bona fide written offer by a third party to purchase at least a majority of the outstanding shares of Altra common stock or at least a majority of the assets of Altra (whether through a tender offer, merger or otherwise), that is determined by the Altra board of directors, in its good faith judgment, after consulting with its financial advisor and outside legal counsel, and after taking into account the terms and conditions of the offer, including the likelihood and anticipated timing of consummation, (i) to be more favorable, from a financial point of view, to Altra's stockholders than the proposed Transactions and (ii) to be reasonably likely to be completed, taking into account any financing and approval requirements that the Altra board of directors determines to be relevant and all other financial, legal, regulatory and other aspects of such proposal that the Altra board of directors determines to be relevant, including whether financing, if a cash transaction (in whole or part), is then fully committed
Ancillary Agreements	The Employee Matters Agreement, the IP License Agreement, the Tax Matters Agreement, the Transition Services Agreement, and any other agreements mutually agreed to by the parties pursuant to or in connection with the Transactions
Audited Financial Statements	The audited financial statements of (i) the A&S Business on a combined basis and (ii) Newco (before giving effect to the Internal Restructuring), including the balance sheets of (A) the A&S Business on a combined basis and (B) Newco (before giving effect to the Internal Restructuring) (except for Newco, only an opening balance sheet) as of December 31, 2016 and December 31, 2017, and the combined and consolidated statements of earnings, cash flows and parent equity of (1) the A&S Business and (2) Newco (before giving effect to the Internal Restructuring) for the years ended December 31, 2015, December 31, 2016 and December 31, 2017, together with an audit report, without qualification or exception thereto, on the financial statements from the independent accountants for the A&S Business and Newco
Basis Amount	\$175,000,000, unless, pursuant to a written notice delivered to Altra at least 30 days prior to the anticipated Distribution Date, Fortive elects to increase or reduce the Basis Amount by the amount specified in such notice after considering in good faith the estimated adjusted tax basis of the A&S Assets and the estimated amount of A&S Liabilities; provided, however, that the Basis Amount shall not be reduced below \$150,000,000 without the prior written consent of Altra

Cash Dividend

A cash dividend in an aggregate amount equal to the Basis Amount

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<b>Abbreviation/Term</b>	<b>Description</b>
Charter Amendment	The proposed amendment to the Altra Charter to increase the number of authorized shares of Altra common stock from 90,000,000 to 120,000,000
clean-up spin-off	The distribution of the remaining shares of Newco common stock owned by Fortive on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding after consummation of this Exchange Offer if this Exchange Offer is not fully subscribed
Code	The Internal Revenue Code of 1986, as amended
Danaher	Danaher Corporation
Danaher Separation	Separation of Fortive from Danaher
Debt Exchange	The transfer of the Newco Securities in exchange for certain debt obligations of Fortive held by the Debt Exchange Parties, as described in the section of this document entitled "The Merger Agreement - Debt Exchange"
Debt Exchange Parties	Certain persons who, prior to the Debt Exchange, own certain debt obligations of Fortive as principals for their own account
DGCL	General Corporation Law of the State of Delaware
Direct Sales	The (i) sale of the Direct Sales Assets and Direct Sales Entities (and their subsidiaries) by the Direct Sales Sellers to the Direct Sales Purchasers and (ii) assumption by the Direct Sales Purchasers of A&S Liabilities of or attributable to the Direct Sales Sellers
Direct Sales Assets	The A&S Assets held by the Direct Sales Asset Sellers or the Direct Sales Entities (and their subsidiaries)
Direct Sales Asset Sellers	The subsidiaries of Fortive that are contemplated by the Separation Plan to sell the Direct Sales Assets
Direct Sales Entity	The entities reflected as "Direct Sales Entities" in the Separation Plan
Direct Sales Entity Sellers	The subsidiaries of Fortive designated by Fortive prior to the Distribution to sell the Direct Sales Entities
Direct Sales Purchasers	The subsidiaries of Altra designated by Altra prior to the Distribution to purchase the Direct Sales Entities and Direct Sales Assets
Direct Sales Purchase Price	\$1,000,000,000, unless changed in accordance with the terms of the Separation Agreement
Direct Sales Sellers	The Direct Sales Entity Sellers and the Direct Sales Asset Sellers
Distribution	The distribution by Fortive, pursuant to the Separation Agreement, of 100% of the shares of Newco common stock to Fortive's stockholders in an exchange offer followed, if necessary, by a clean-up spin-off
Distribution Date	The date selected by the Fortive board or its designee for the distribution of the shares of Newco common stock to holders of Fortive common stock
Employee Matters Agreement	

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The Employee Matters Agreement, dated as of March 7, 2018, by and among Fortive, Newco and Altra

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<b>Abbreviation/Term</b>	<b>Description</b>
Exchange Act	The Securities Exchange Act of 1934, as amended
Exchange Offer	An exchange offer whereby Fortive is offering to its stockholders the ability to exchange all or a portion of their shares of Fortive common stock for shares of Newco common stock, which Newco common stock will be immediately exchanged for Altra common stock in the Merger
Fortive	Fortive Corporation
Fortive Bylaws	Fortive's Amended and Restated Bylaws, effective June 7, 2017 (as they may be amended)
Fortive Charter	Fortive's Amended and Restated Certificate of Incorporation, effective June 7, 2017 (as it may be amended)
Fortive common stock	The common stock, par value \$0.01 per share, of Fortive
Fortive Equity Award	Any outstanding Fortive Option or Fortive RSU that is held by a Newco Employee, or any other outstanding stock option, restricted stock, restricted stock unit or other equity award with respect to the equity interests of Fortive or any Fortive Affiliate that is held by a Newco Employee
Fortive Equity Plan	Fortive's 2016 Stock Incentive Plan
Fortive Group	Fortive and each of its subsidiaries and any legal predecessors thereto, but excluding any member of the Newco Group and any Direct Sales Entity (and its subsidiaries)
Fortive Option	Each option to purchase shares of Fortive common stock from Fortive, whether granted by Fortive pursuant to the Fortive Equity Plan, assumed by Fortive in connection with any merger, acquisition or similar transaction or otherwise issued or granted and whether vested or unvested
Fortive RSU	Each restricted stock unit representing the right to vest in and be issued shares of Fortive common stock by Fortive, whether granted by Fortive pursuant to a Fortive Equity Plan, assumed by Fortive in connection with any merger, acquisition or similar transaction or otherwise issued or granted and whether vested or unvested
Fortive Savings Plans	The Fortive Corporation Retirement Savings Plan and the Fortive Corporation Union Retirement Savings Plan
Fortive Shared Contract	Any contract that is not primarily related to the A&S Business, including under any such contract relating to, but not primarily relating to, the A&S Business
Fortive Stock Fund	The unitized pool of Fortive common stock and cash available as an investment option under the Fortive Savings Plans
GAAP	Generally accepted accounting principles in the United States
HSR Act	The Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended



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<b>Abbreviation/Term</b>	<b>Description</b>
Internal Restructuring	The internal restructuring to separate and consolidate the A&S Business, except with respect to the Direct Sales, under Newco pursuant to the corporate structuring steps contemplated by the Separation Plan as finally determined in accordance with the terms of the Separation Agreement, as described in the section of this document entitled <i>The Transactions Overview</i>
IP License Agreement	The Intellectual Property Cross-License Agreement substantially in the form attached as Exhibit C to the Separation Agreement
IRS	The United States Internal Revenue Service
IRS Ruling	A private letter ruling from the IRS addressing the tax consequences of certain aspects of the Newco Contribution, the Distribution and the Debt Exchange
Merger	The merger of Merger Sub with and into Newco, with Newco surviving the merger as a wholly-owned subsidiary of Altra, as contemplated by the Merger Agreement
Merger Agreement	The Agreement and Plan of Merger and Reorganization, dated as of March 7, 2018, by and among Fortive, Altra, Newco and Merger Sub (as it may be amended from time to time)
Merger Sub	McHale Acquisition Corp., a wholly-owned subsidiary of Altra
Nasdaq	The Nasdaq Global Market
New York City time	Local time in the City of New York
Newco	Stevens Holding Company, Inc., a Delaware corporation and currently a wholly-owned subsidiary of Fortive Corporation
Newco Assets	The A&S Assets to be held by the Newco Group
Newco Bylaws	The Bylaws of Stevens Holding Company, Inc., dated as of February 13, 2018 (as they may be amended)
Newco Certificate of Incorporation	The Certificate of Incorporation of Stevens Holding Company, Inc., dated as of February 13, 2018 (as it may be amended)
Newco Commitment Parties	Goldman Sachs Bank USA, UBS Securities LLC, UBS AG, Stamford Branch, Citigroup Global Markets Inc., Wells Fargo Securities, LLC, Wells Fargo Bank, National Association, HSBC Securities (USA) Inc., HSBC Bank USA, National Association, MUFG Union Bank, N.A., Bank of Montreal, BMO Capital Markets Corp., Citizens Bank, N.A., Royal Bank of Canada, RBC Capital Markets, The Toronto-Dominion Bank, New York Branch and TD Securities (USA) LLC.
Newco common stock	The common stock, par value \$0.01 per share, of Newco
Newco Contribution	The conveyance by Fortive to Newco or one or more subsidiaries of Fortive of certain assets and liabilities constituting the A&S Business, excluding the Direct Sales Assets, as described in the section of this document entitled <i>The Transactions Overview</i>





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<b>Abbreviation/Term</b>	<b>Description</b>
Newco Employee	Each employee who is employed as of the Separation Date and is either: (i) exclusively or primarily engaged in the A&S Business or (ii) necessary for the ongoing operation of the A&S Business following the Separation Date, in each case, as determined by Fortive in good faith, subject to Altra's timely review and consultation with Fortive, and identified to Altra no later than 45 days prior to the Separation Date; provided that Fortive and Altra may agree in writing to exclude certain employees who would otherwise be covered no later than 45 days prior to the Separation Date
Newco Group	Newco, each of the subsidiaries of Fortive contemplated to be owned (directly or indirectly) by Newco immediately prior to the Separation Time pursuant to the Separation Plan and the Internal Restructuring, and any legal predecessors thereto
Newco Indemnitees	Newco, each other member of the Newco Group, each Direct Sales Entity, each Subsidiary of a Direct Sales Entity and Altra, and each of their respective successors and assigns, and all persons who are or have been stockholders, directors, partners, managers, managing members, officers, agents or employees of any member of the Newco Group, any Direct Sales Entity and any Subsidiary of a Direct Sales Entity (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns
Newco IP	All intellectual property rights owned by, or purported to be owned by, licensed to or used by Fortive or its affiliates and primarily used in the A&S Business, including with regard to any patents included in the foregoing, the applicable patent family thereof
Newco Registration Statements	Newco's registration statement on Form S-1/S-4 or registration statement on Form 10, as applicable, filed with the SEC
Newco Securities	Securities representing indebtedness of Newco in an aggregate principal amount equal to the Above-Basis Amount
Newco Shared Contract	Any contract primarily relating to the A&S Business that also relates to any business or business function of the Fortive group to which Fortive, Newco or any member of their respective groups is a party or by which any of their respective assets is bound
Newco Transfer	(i) The Newco Contribution, (ii) the transfer, directly or indirectly, of the Excluded Assets and Excluded Liabilities, in each case, relating to, arising out of or resulting from the transactions contemplated by the Separation Agreement and (iii) certain related transactions specified in the Separation Agreement
NYSE	The New York Stock Exchange
SEC	The United States Securities and Exchange Commission
Securities Act	The Securities Act of 1933, as amended
Separation	The Newco Transfer and the other transactions, other than the Direct Sales, contemplated by the Separation Agreement to transfer the A&S

Business to Newco

Separation Agreement

The Separation and Distribution Agreement, dated as of March 7, 2018, by and among Fortive, Altra and Newco (as it may be amended from time to time)

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<b>Abbreviation/Term</b>	<b>Description</b>
Separation Date	The effective date of the Separation
Separation Plan	Fortive's plan with respect to the Internal Restructuring, as further described in the Separation Agreement
Separation Time	The effective time of the Separation
Share Issuance	The issuance of shares of Altra common stock to the stockholders of Newco in the Merger
spin-off	The distribution of Newco common stock to stockholders of Fortive through a pro rata dividend
split-off	The distribution of Newco common stock to stockholders of Fortive through an exchange offer
Tax Matters Agreement	The Tax Matters Agreement substantially in the form attached as Exhibit A to the Separation Agreement
Termination Fee	The termination fee of \$40 million payable by Altra to Fortive upon termination of the Merger Agreement under circumstances as described in the section of this document entitled "The Merger Agreement Termination Fee Payable in Certain Circumstances"
Transaction Documents	The Merger Agreement, the Separation Agreement and the Ancillary Agreements
Transactions	The Separation, the Distribution, the Direct Sales, the Merger, the Debt Exchange, certain debt financing transactions and all other transactions as contemplated by the Transaction Documents
Transition Services Agreement	The Transition Services Agreement substantially in the form attached as Exhibit B to the Separation Agreement
Valuation Dates	The last three full trading days ending on and including the third trading day preceding the expiration date of the Exchange Offer period, as it may be voluntarily extended
VWAP	Volume-weighted average price

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**QUESTIONS AND ANSWERS ABOUT THIS EXCHANGE OFFER AND THE TRANSACTIONS**

The following are some of the questions that Fortive stockholders may have, and answers to those questions. These questions and answers, as well as the following summary, are not meant to be a substitute for the information contained in the remainder of this prospectus, and this information is qualified in its entirety by the more detailed descriptions and explanations contained elsewhere in this prospectus. You are urged to read this prospectus in its entirety prior to making any decision.

**Questions and Answers about this Exchange Offer**

**Q: Who may participate in this Exchange Offer?**

A: Any U.S. holders of Fortive common stock during the Exchange Offer period may participate in this Exchange Offer. Although Fortive has mailed this prospectus to its stockholders to the extent required by U.S. law, including stockholders located outside the United States, this prospectus is not an offer to buy, sell or exchange and it is not a solicitation of an offer to buy or sell any shares of Fortive common stock, shares of Altra common stock or shares of Newco common stock in any jurisdiction in which such offer, sale or exchange is not permitted. Countries outside the United States generally have their own legal requirements that govern securities offerings made to persons resident in those countries and often impose stringent requirements about the form and content of offers made to the general public. None of Fortive, Altra or Newco has taken any action under non-U.S. regulations to facilitate a public offer to exchange the shares of Fortive common stock, shares of Altra common stock or shares of Newco common stock outside the United States. Accordingly, the ability of any non-U.S. person to tender shares of Fortive common stock in this Exchange Offer will depend on whether there is an exemption available under the laws of such person's home country that would permit the person to participate in this Exchange Offer without the need for Fortive, Altra or Newco to take any action to facilitate a public offering in that country or otherwise. For example, some countries exempt transactions from the rules governing public offerings if they involve persons who meet certain eligibility requirements relating to their status as sophisticated or professional investors.

The legal limitations described under this heading could prevent certain holders of Fortive common stock from participating in this Exchange Offer, which could cause this Exchange Offer to be undersubscribed.

Non-U.S. stockholders should consult their advisors in considering whether they may participate in this Exchange Offer in accordance with the laws of their home countries and, if they do participate, whether there are any restrictions or limitations on transactions in the shares of Fortive common stock, shares of Newco common stock or shares of Altra common stock that may apply in their home countries. None of Fortive, Altra or Newco can provide any assurance about whether such limitations may exist. See "The Exchange Offer Certain Matters Relating to Non-U.S. Jurisdictions" for additional information about limitations on this Exchange Offer outside the United States. Fortive believes a substantial majority of its stockholders are U.S. investors and does not expect the legal limitations described under this heading to cause this Exchange Offer to be undersubscribed.

**Q: How many shares of Newco common stock will I receive for each share of Fortive common stock that I tender?**

A: This Exchange Offer is designed to permit you to exchange your shares of Fortive common stock for shares of Newco common stock at a price per share equal to a % discount to the per-share value of Altra common stock, calculated as set forth in this prospectus. Stated another way, for each \$100 of your Fortive common stock accepted in this Exchange Offer, you will receive approximately \$ of Newco common stock. The value of the Fortive common stock will be based on the calculated per-share value for the Fortive common stock on the NYSE and the value of the Newco common stock will be based on the calculated

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per-share value for Altra common stock on Nasdaq, in each case determined by reference to the simple arithmetic average of the daily VWAP on each of the Valuation Dates. Please note, however, that:

The number of shares you can receive is subject to an upper limit of \_\_\_\_\_ shares of Newco common stock for each share of Fortive common stock accepted in this Exchange Offer. The next question and answer below describes how this limit may impact the value you receive.

This Exchange Offer does not provide for a minimum exchange ratio. See The Exchange Offer Terms of this Exchange Offer.

Because this Exchange Offer is subject to proration, Fortive may accept for exchange only a portion of the Fortive common stock tendered by you.

### **Q: Is there a limit on the number of shares of Newco common stock I can receive for each share of Fortive common stock that I tender?**

A: The number of shares you can receive is subject to an upper limit of \_\_\_\_\_ shares of Newco common stock for each share of Fortive common stock accepted in this Exchange Offer. **If the upper limit is in effect, you will receive less than \$ \_\_\_\_\_ of Newco common stock for each \$100 of Fortive common stock that you tender, and you could receive much less.** For example, if the calculated per-share value of Fortive common stock was \$ \_\_\_\_\_ (the highest closing price for Fortive common stock on the NYSE during the three-month period prior to commencement of this Exchange Offer) and the calculated per-share value of Newco common stock was \$ \_\_\_\_\_ (the lowest closing price for Altra common stock on Nasdaq during that three-month period), the value of Newco common stock, based on the Altra common stock price, received for shares of Fortive common stock accepted for exchange would be approximately \$ \_\_\_\_\_ for each \$100 of Fortive common stock accepted for exchange.

The upper limit would represent a \_\_\_\_\_ % discount for Newco common stock based on the average of the daily VWAPs of Fortive common stock on the NYSE and Altra common stock on Nasdaq on \_\_\_\_\_, 2018, \_\_\_\_\_, 2018, and \_\_\_\_\_, 2018 (the last three full trading days ending on the second to last full trading day prior to commencement of this Exchange Offer). Fortive set this upper limit to ensure that an unusual or unexpected drop in the trading price of Altra common stock, relative to the trading price of Fortive common stock, would not result in an unduly high number of shares of Newco common stock being exchanged for each share of Fortive common stock accepted in this Exchange Offer.

### **Q: How and when will I know if the upper limit is in effect?**

A: Fortive will announce whether the upper limit on the number of shares that can be received for each share of Fortive common stock tendered will be in effect at the expiration of the Exchange Offer period, through <http://investors.fortive.com/altra> and by press release, no later than 9:00 a.m., New York City time, on the second trading day prior to the expiration date. If the upper limit is in effect at that time, then the exchange ratio will be fixed at the upper limit.

**Q: How are the calculated per-share values of Fortive common stock and Altra common stock determined for purposes of calculating the number of shares of Newco common stock to be received in this Exchange Offer?**

A: The calculated per-share value of Fortive common stock and Altra common stock for purposes of this Exchange Offer will equal the simple arithmetic average of the daily VWAP of Fortive common stock on the NYSE and Altra common stock on Nasdaq, as the case may be, on each of the Valuation Dates. Fortive will determine such calculations of the per-share values of Fortive common stock and Altra common stock and such determination will be final.



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**Q: What is the daily volume-weighted average price or daily VWAP?**

A: The daily volume-weighted average price for Fortive common stock and Altra common stock will be the volume-weighted average price of Fortive common stock on the NYSE and Altra common stock on Nasdaq during the period beginning at 9:30 a.m., New York City time (or such other time as is the official open of trading on the NYSE and Nasdaq), and ending at 4:00 p.m., New York City time (or such other time as is the official close of trading on the NYSE and Nasdaq), except that such data will only take into account adjustments made to reported trades included by 4:10 p.m., New York City time. The daily VWAP will be as reported by Bloomberg L.P. displayed under the heading Bloomberg VWAP on the Bloomberg pages FTV UN<Equity>VAP with respect to Fortive common stock and AIMC UW<Equity>VAP with respect to Altra common stock (or their equivalent successor pages if such pages are not available). The daily VWAPs provided by Bloomberg L.P. may be different from other sources of volume-weighted average prices or investors or security holders own calculations of volume-weighted average prices.

**Q: Where can I find the daily VWAP of Fortive common stock and Altra common stock during the Exchange Offer period?**

A: Fortive will maintain a website at <http://investors.fortive.com/altra> that provides the daily VWAP of both Fortive common stock and Altra common stock, together with indicative exchange ratios, which will be made available commencing after the close of trading on the third trading day of this Exchange Offer, for each day during this Exchange Offer. On the first two Valuation Dates, when the values of Fortive common stock and Altra common stock are calculated for the purposes of this Exchange Offer, the website will show the indicative exchange ratios based on indicative calculated per-share values calculated by Fortive, which will equal (i) after the close of trading on the NYSE and Nasdaq on the first Valuation Date, the VWAPs for that day, and (ii) after the close of trading on the NYSE and Nasdaq on the second Valuation Date, the VWAPs for that day averaged with the VWAPs on the first Valuation Date. On the first two Valuation Dates, the indicative exchange ratios will be updated no later than 4:30 p.m., New York City time. No indicative exchange ratio will be published or announced on the third Valuation Date, but the final exchange ratio will be announced by press release and available on the website by 9:00 a.m. New York City time on the second trading day immediately preceding the expiration date of this Exchange Offer.

**Q: Why is the calculated per-share value for Newco common stock based on the trading prices for Altra common stock?**

A: There is currently no trading market for Newco common stock. Fortive believes, however, that the trading prices for Altra common stock are an appropriate proxy for the trading prices of Newco common stock because (i) in the Merger, each outstanding share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into the right to receive a number of fully paid and nonassessable shares of Altra common stock equal to (x) 35 million shares of Altra common stock divided by (y) the aggregate number of shares of Newco common stock issued and outstanding as of immediately prior to the effective time of the Merger, (ii) prior to the consummation of this Exchange Offer, Newco will authorize the issuance of a number of shares of Newco common stock such that the total number of shares of Newco common

stock outstanding immediately prior to the Distribution will be that number that results in the exchange ratio in the Merger equaling one and, as a result, each share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into one share of Altra common stock in the Merger, and (iii) at the Valuation Dates, it is expected that all the major conditions to the consummation of the Merger will have been satisfied and the Merger will be expected to be consummated shortly, such that investors should be expected to be valuing Altra common stock based on the expected value of such Altra common stock immediately after the Merger. There can be no assurance, however, that Altra common stock after the

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Merger will trade on the same basis as Altra common stock trades prior to the Merger. See Risk Factors Risks Related to this Exchange Offer The trading prices of Altra common stock may not be an appropriate proxy for the prices of Newco common stock.

**Q: How and when will I know the final exchange ratio?**

A: The final exchange ratio showing the number of shares of Newco common stock that you will receive for each share of Fortive common stock accepted in this Exchange Offer will be available at <http://investors.fortive.com/altra> no later than 9:00 a.m., New York City time, on the second to last full trading day prior to the expiration date and separately announced by press release. In addition, as described below, you may also contact the information agent to obtain these indicative exchange ratios and the final exchange ratio at its toll-free number provided on the back cover of this prospectus. Fortive will announce whether the upper limit on the number of shares that can be received for each share of Fortive common stock tendered is in effect at <http://investors.fortive.com/altra> and separately by press release, no later than 9:00 a.m., New York City time, on the second to last full trading day prior to the expiration date. If the upper limit is in effect at that time, then the exchange ratio will be fixed at the upper limit.

**Q: Will indicative exchange ratios be provided during the Exchange Offer period?**

A: Yes. Indicative exchange ratios will be available commencing after the close of trading on the third trading day of this Exchange Offer by contacting the information agent at the toll-free number provided on the back cover of this prospectus and at <http://investors.fortive.com/altra> on each full trading day during the Exchange Offer period, calculated as though that day were the expiration date of this Exchange Offer. The indicative exchange ratio will also reflect whether the upper limit on the exchange ratio, described above, would have been in effect. On the first two Valuation Dates, when the per-share values of Fortive common stock and per-share values of Newco common stock are calculated for the purposes of this Exchange Offer, the website will show the indicative exchange ratios based on indicative calculated per-share values which will equal (i) after the close of trading on the NYSE and Nasdaq on the first Valuation Date, the VWAPs for that day, and (ii) after the close of trading on the NYSE and Nasdaq on the second Valuation Date, the VWAPs for that day averaged with the VWAPs on the first Valuation Date. On the first two Valuation Dates, the indicative exchange ratios will be updated no later than 4:30 p.m., New York City time. No indicative exchange ratio will be published or announced on the third Valuation Date, but the final exchange ratio will be announced by press release and available on the website by 9:00 a.m. New York City time on the second trading day immediately preceding the expiration date of this Exchange Offer.

In addition, for purposes of illustration, a table that indicates the number of shares of Newco common stock that you would receive per share of Fortive common stock, calculated on the basis described above and taking into account the upper limit, assuming a range of averages of the daily VWAP of Fortive common stock and Altra common stock on the Valuation Dates, is provided under The Exchange Offer Terms of this Exchange Offer.

**Q: What if Fortive common stock or Altra common stock does not trade on any of the Valuation Dates?**

- A: If a market disruption event, as defined below, occurs with respect to Fortive common stock or Altra common stock on any of the Valuation Dates, the calculated per-share value of Fortive common stock and per-share value of Newco common stock will be determined using the daily VWAP of shares of Fortive common stock and shares of Altra common stock on the preceding full trading day or days, as the case may be, on which no market disruption event occurred with respect to either Fortive common stock and Altra common stock. If, however, a market disruption event occurs as specified above, Fortive may terminate or extend this Exchange Offer if, in its reasonable judgment, the market disruption event has impaired the benefits of this Exchange Offer to Fortive. For specific information as to what would constitute a market disruption event, see The Exchange Offer Conditions to Consummation of this Exchange Offer.

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**Q: Are there circumstances under which I would receive fewer shares of Newco common stock than I would have received if the exchange ratio were determined using the closing prices of Fortive common stock and Altra common stock on the expiration date of this Exchange Offer?**

A: Yes. For example, if the trading price of Fortive common stock were to increase during the period of the Valuation Dates or after the date the exchange ratio is set, the calculated per-share value of Fortive common stock would likely be lower than the closing price of Fortive common stock on the last full trading day prior to the expiration date of this Exchange Offer. As a result, you will receive fewer shares of Newco common stock for each \$100 of Fortive common stock than you would have if that per-share value were calculated on the basis of the closing price of Fortive common stock on the last full trading day prior to the expiration date. Similarly, if the trading price of Altra common stock were to decrease during the period of the Valuation Dates or after the date the exchange ratio is set, the calculated per-share value of Newco common stock would likely be higher than the closing price of Altra common stock on the last full trading day prior to the expiration date. This could also result in you receiving fewer shares of Newco common stock for each \$100 of Fortive common stock than you would otherwise receive if that per-share value were calculated on the basis of the closing price of Altra common stock on the last full trading day prior to the expiration date of this Exchange Offer. See *The Exchange Offer Terms of this Exchange Offer*.

**Q: Will fractional shares of Altra common stock be distributed?**

A: No fractional shares of Altra common stock will be delivered to holders of shares of Newco common stock. Instead, holders of shares of Newco common stock who would otherwise be entitled to receive a fractional share of Altra common stock (after aggregating all fractional shares of Altra common stock issuable to such holder) will receive in cash the dollar amount (rounded to the nearest whole cent) determined by multiplying such fraction by the closing price of Altra common stock on Nasdaq on the last business day prior to the effective time of the Merger. The amount received by such holders of shares of Newco common stock will be net of any required withholding taxes.

**Q: What is the aggregate number of shares of Newco common stock being offered in this Exchange Offer?**

A: In this Exchange Offer, Fortive is offering to exchange all of the shares of Newco common stock held by it. In addition, Newco will authorize the issuance of a number of shares of Newco common stock such that the total number of shares of Newco common stock immediately prior to the Merger will be equal to 35 million. See *The Exchange Offer Terms of this Exchange Offer*.

**Q: What happens if not enough shares of Fortive common stock are tendered to allow Fortive to exchange all of the shares of Newco common stock it holds?**

A: If this Exchange Offer is consummated but less than all shares of Newco common stock are exchanged because this Exchange Offer is not fully subscribed, the additional shares of Newco common stock owned by Fortive will be distributed in a clean-up spin-off on a pro rata basis to the holders of shares of Fortive common stock whose

shares of Fortive common stock remain outstanding after the consummation of this Exchange Offer. The record date for the pro rata distribution, if any, will be announced by Fortive. Any Fortive stockholder who validly tenders (and does not properly withdraw) shares of Fortive common stock for shares of Newco common stock in this Exchange Offer will waive their rights with respect to such shares to receive, and forfeit any rights to, shares of Newco common stock distributed on a pro rata basis to Fortive stockholders in the spin-off in the event this Exchange Offer is not fully subscribed. See [The Exchange Offer](#) [Distribution of Newco Common Stock Remaining After this Exchange Offer](#).

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**Q: What happens if Fortive declares a quarterly dividend during this Exchange Offer?**

A: If Fortive declares a quarterly dividend and the record date for that dividend occurs during the Exchange Offer period, you will be eligible to receive that dividend if you continue to own your shares of Fortive common stock as of that record date.

**Q: Will tendering my shares affect my ability to receive the Fortive quarterly dividend?**

A: No. If a dividend is declared by Fortive with a record date before the completion of this Exchange Offer, you will be entitled to that dividend even if you tendered your shares of Fortive common stock. Tendering your shares of Fortive common stock in this Exchange Offer is not a sale or transfer of those shares until they are accepted for exchange upon completion of this Exchange Offer.

**Q: Will all shares of Fortive common stock that I tender be accepted in this Exchange Offer?**

A: Not necessarily. Depending on the number of shares of Fortive common stock validly tendered in this Exchange Offer and not properly withdrawn, the calculated per-share value of Fortive common stock and the per-share value of Newco common stock determined as described above, Fortive may have to limit the number of shares of Fortive common stock that it accepts in this Exchange Offer through a proration process. Any proration of the number of shares accepted in this Exchange Offer will be determined on the basis of the proration mechanics described under *The Exchange Offer Terms of this Exchange Offer Proration; Tenders for Exchange by Holders of Fewer than 100 Shares of Fortive Common Stock*.

An exception to proration can apply to stockholders (other than participants in the Fortive Stock Fund through either of the Fortive Savings Plans) who beneficially own *odd-lots*, that is, fewer than 100 shares of Fortive common stock. Such beneficial holders of Fortive common stock who validly tender all of their shares will not be subject to proration.

In all other cases, proration for each tendering stockholder will be based on (i) the proportion that the total number of shares of Fortive common stock to be accepted bears to the total number of shares of Fortive common stock validly tendered and not properly withdrawn and (ii) the number of shares of Fortive common stock validly tendered and not properly withdrawn by that stockholder (and not on that stockholder's aggregate ownership of shares of Fortive common stock). Any shares of Fortive common stock not accepted for exchange as a result of proration will be returned to tendering stockholders promptly after the final proration factor is determined.

**Q: Will I be able to sell my shares of Newco common stock after this Exchange Offer is completed?**

A: No. There currently is no trading market for Newco common stock and no such trading market will be established in the future. The Exchange Offer agent will hold all issued and outstanding shares of Newco common stock in trust until the shares of Newco common stock are converted into the right to receive shares of Altra common stock in the Merger. Participants in this Exchange Offer will not receive such shares of Newco common stock, but will receive the shares of Altra common stock issuable in the Merger, which can be sold in accordance with

applicable securities laws. See The Exchange Offer Distribution of Newco Common Stock Remaining After this Exchange Offer.

**Q: How many shares of Fortive common stock will Fortive accept if this Exchange Offer is completed?**

A: The number of shares of Fortive common stock that will be accepted if this Exchange Offer is completed will depend on the final exchange ratio, the number of shares of Newco common stock offered and the number of shares of Fortive common stock tendered. Assuming this Exchange Offer is fully subscribed, the largest possible number of shares of Fortive common stock that will be accepted would equal 35 million divided by the final exchange ratio. For example, assuming that the final exchange ratio is (the



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current indicative exchange ratio based on the daily VWAPs of Fortive common stock and Altra common stock on \_\_\_\_\_, 2018, \_\_\_\_\_, 2018, and \_\_\_\_\_, 2018), then Fortive would accept up to a total of approximately \_\_\_\_\_ shares of Fortive common stock.

**Q: Are there any conditions to Fortive's obligation to complete this Exchange Offer?**

A: Yes. This Exchange Offer is subject to various conditions listed under The Exchange Offer Conditions to Consummation of this Exchange Offer. If any of these conditions are not satisfied or waived prior to the expiration of this Exchange Offer, Fortive will not be required to accept shares for exchange and may extend or terminate this Exchange Offer.

Fortive may waive any of the conditions to this Exchange Offer prior to the expiration of this Exchange Offer. For a description of the material conditions precedent to this Exchange Offer, including satisfaction or waiver of the conditions to the Transactions, the receipt of Altra stockholder approval of the issuance of shares of Altra common stock in connection with the Merger, and other conditions, see The Exchange Offer Conditions to Consummation of this Exchange Offer. Newco has no right to waive any of the conditions to this Exchange Offer. Altra has no right to waive any of the conditions to this Exchange Offer (other than certain conditions relating to the other transactions).

**Q: When does this Exchange Offer expire?**

A: The period during which you are permitted to tender your shares of Fortive common stock in this Exchange Offer will expire at 8:00 a.m., New York City time, on \_\_\_\_\_, 2018, unless Fortive extends this Exchange Offer. See The Exchange Offer Terms of this Exchange Offer Extension; Termination; Amendment.

**Q: Can this Exchange Offer be extended and under what circumstances?**

A: Yes. Subject to its compliance with the Merger Agreement, Fortive can extend this Exchange Offer, in its sole discretion, at any time and from time to time. For instance, this Exchange Offer may be extended if any of the conditions to consummation of this Exchange Offer listed under The Exchange Offer Conditions to Consummation of this Exchange Offer are not satisfied or waived prior to the expiration of this Exchange Offer. In case of an extension of this Exchange Offer, Fortive will publicly announce the extension by press release no later than 9:00 a.m., New York City time, on the next business day following the previously scheduled expiration date. In addition, if the upper limit on the number of shares that can be received for each share of Fortive common stock tendered is in effect, then the exchange ratio will be fixed at the upper limit.

**Q: How do I participate in this Exchange Offer?**

A: The procedures you must follow to participate in this Exchange Offer will depend on whether you hold your shares of Fortive common stock in certificated form, through a bank or trust company or broker, as a participant in the Fortive Stock Fund through either of the Fortive Savings Plans, or if your shares of Fortive common stock

are held in book-entry via the Direct Registration System ( DRS ). For specific instructions about how to participate, see The Exchange Offer Terms of this Exchange Offer Procedures for Tendering.

**Q: What if I participate in the Fortive Stock Fund through either of the Fortive Savings Plans?**

A: If you participate in the Fortive Stock Fund through either of the Fortive Savings Plans, you can elect to either keep your shares of Fortive common stock or exchange some or all of your shares of Fortive common stock for shares of Newco common stock in this Exchange Offer. You will receive instructions from Fidelity

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Management Trust Company, the trustee of the Fortive Savings Plans ( Fidelity ), via letter or email informing you how to make an election and the deadline for making an election. If you do not make an active election prior to the applicable deadline, none of the shares of Fortive common stock attributable to your account under the Fortive Savings Plans will be exchanged for shares of Newco common stock.

For specific instructions about how to tender the shares of Fortive common stock attributable to your account, see The Exchange Offer Terms of This Exchange Offer Procedures for Tendering.

If you do not elect to exchange some or all of the shares of Fortive common stock attributable to your account for shares of Newco common stock, you may still receive shares of Newco common stock in the spin-off (in the event this Exchange Offer is not fully subscribed) in respect of the shares of Fortive common stock attributable to your account. Upon the closing of the Merger, any shares of Newco common stock attributable to your account will be converted into shares of Altra common stock.

After the closing of the Merger, the plan fiduciary responsible for evaluating the propriety of investment options under the applicable Fortive Savings Plan may conclude that the applicable Fortive Savings Plan will no longer maintain an Altra stock fund, in which case you may be required to sell the shares of Altra common stock attributable to your account and reallocate the sale proceeds to one or more of the other investment options within the applicable Fortive Savings Plan.

### **Q: How do I tender my shares of Fortive common stock after the final exchange ratio has been determined?**

A: If you wish to tender your shares after the final exchange ratio has been determined, you will generally need to do so by means of delivering a notice of guaranteed delivery and complying with the guaranteed delivery procedures described in the section entitled The Exchange Offer Terms of this Exchange Offer Procedures for Tendering Guaranteed Delivery Procedures. If you hold shares of Fortive common stock through a broker, dealer, commercial bank, trust company or similar institution, that institution must tender your shares on your behalf. If your shares of Fortive common stock are held through an institution and you wish to tender your Fortive common stock after The Depository Trust Company has closed, the institution must deliver a notice of guaranteed delivery to the Exchange Offer agent prior to the expiration of this Exchange Offer at 8:00 a.m., New York City time, on the expiration date of this Exchange Offer.

### **Q: Can I tender only a portion of my shares of Fortive common stock in this Exchange Offer?**

A: Yes. You may tender all, some or none of your shares of Fortive common stock.

### **Q: What do I do if I want to retain all of my shares of Fortive common stock?**

A: If you want to retain all of your shares of Fortive common stock, you do not need to take any action. However, after the consummation of the Transactions, the A&S Business will no longer be owned by Fortive, and as a holder of Fortive common stock you will no longer hold shares in a company that owns the A&S Business

(unless this Exchange Offer is consummated but is not fully subscribed and the remaining shares of Newco common stock are distributed on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding after consummation of this Exchange Offer).

**Q: Can I change my mind after I tender my shares of Fortive common stock and before this Exchange Offer expires?**

A: Yes. You may withdraw your tendered shares at any time before this Exchange Offer expires. See The Exchange Offer Terms of this Exchange Offer Withdrawal Rights. If you change your mind again, you can re-tender your shares of Fortive common stock by following the tender procedures again prior to the expiration of this Exchange Offer.

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**Q: Will I be able to withdraw the shares of Fortive common stock I tender after the final exchange ratio has been determined?**

A: Yes. The final exchange ratio used to determine the number of shares of Newco common stock that you will receive for each share of Fortive common stock accepted in this Exchange Offer will be announced no later than 9:00 a.m., New York City time, on the second to last full trading day prior to the expiration date of this Exchange Offer. You have the right to withdraw shares of Fortive common stock you have tendered at any time before 8:00 a.m., New York City time, on the expiration date. See The Exchange Offer Terms of this Exchange Offer. If the upper limit on the number of shares of Newco common stock that can be received for each share of Fortive common stock tendered is in effect, then the exchange ratio will be fixed at the upper limit.

**Q: How do I withdraw my tendered Fortive common stock after the final exchange ratio has been determined?**

A: If you are a registered holder of Fortive common stock (which includes persons holding certificated shares and book-entry shares held through DRS) and you wish to withdraw your shares after the final exchange ratio has been determined, then you must deliver a written notice of withdrawal or an e-mail transmission notice of withdrawal to the Exchange Offer agent prior to 8:00 a.m., New York City time, on the expiration date. The information that must be included in that notice is specified under The Exchange Offer Terms of this Exchange Offer Withdrawal Rights.

If you hold your shares through a broker, dealer, commercial bank, trust company or similar institution, you should consult that institution on the procedures you must comply with and the time by which such procedures must be completed in order for that institution to provide a written notice of withdrawal or e-mail notice of withdrawal to the Exchange Offer agent on your behalf before 8:00 a.m., New York City time, on the expiration date. If you hold your shares through such an institution, that institution must deliver the notice of withdrawal with respect to any shares you wish to withdraw. In such a case, as a beneficial owner and not a registered stockholder, you will not be able to provide a notice of withdrawal for such shares directly to the Exchange Offer agent.

If your shares of Fortive common stock are held through an institution and you wish to withdraw shares of Fortive common stock after The Depository Trust Company has closed, the institution must deliver a written notice of withdrawal to the Exchange Offer agent prior to 8:00 a.m., New York City time, on the expiration date, in the form of The Depository Trust Company notice of withdrawal and you must specify the name and number of the account at The Depository Trust Company to be credited with the withdrawn shares and must otherwise comply with The Depository Trust Company procedures. See The Exchange Offer Terms of this Exchange Offer Withdrawal Rights Withdrawing Your Shares After the Close of Business on the Expiration Date.

**Q: Are there any material differences between the rights of holders of Fortive common stock and Altra common stock?**

A: Yes. While each of Fortive and Altra is a Delaware corporation, each is subject to different organizational documents. Holders of Fortive common stock, whose rights are currently governed by Fortive's organizational

documents, will, with respect to the shares validly tendered and exchanged immediately following this Exchange Offer, become stockholders of Altra and their rights will be governed by Altra's organizational documents. For a discussion of the material differences between the rights of holders of Fortive common stock and Altra common stock, see the section entitled "Comparison of Rights of Holders of Fortive Common Stock and Altra Common Stock." For a more complete description of the characteristics of the combined company's business, see "Information on Altra - Altra's Business After the Transactions" beginning on page 100.

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**Q: Are there any appraisal rights for holders of shares of Fortive common stock?**

A: There are no appraisal rights available to holders of shares of Fortive common stock in connection with this Exchange Offer.

**Q: What will Fortive do with the shares of Fortive common stock that are tendered, and what is the impact of this Exchange Offer on Fortive's share count?**

A: The shares of Fortive common stock that are tendered in this Exchange Offer will be held as treasury stock by Fortive unless and until retired or used for other purposes. Any shares of Fortive common stock acquired by Fortive in this Exchange Offer will reduce the total number of shares of Fortive common stock outstanding, although Fortive's actual number of shares outstanding on a given date reflects a variety of factors such as option exercises.

**Q: What will happen to any remaining shares of Newco common stock owned by Fortive in the clean-up spin-off following the consummation of this Exchange Offer?**

A: In the event that this Exchange Offer is not fully subscribed, any remaining shares of Newco common stock owned by Fortive that are not exchanged in this Exchange Offer will be distributed on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding following the consummation of this Exchange Offer. Upon the consummation of this Exchange Offer prior to the effective time of the Merger, Fortive will deliver to the Exchange Offer agent, and the Exchange Offer agent will hold, for the account of the relevant Fortive stockholders, a book-entry authorization representing all of the outstanding shares of Newco common stock, pending the consummation of the Merger. Prior to or at the effective time of the Merger, Altra will deposit with the merger exchange agent evidence in book-entry form representing the shares of Altra common stock issuable in the Merger. Such shares of Altra common stock will be delivered promptly following the effectiveness of the Merger, pursuant to the procedures determined by the Exchange Offer agent and the merger exchange agent. See The Exchange Offer Terms of this Exchange Offer Exchange of Shares of Fortive Common Stock. If this Exchange Offer is terminated by Fortive on or prior to the expiration date of this Exchange Offer without the exchange of shares, but the conditions to consummation of the Transactions have otherwise been satisfied, Fortive intends to distribute all shares of Newco common stock owned by Fortive on a pro rata basis to holders of Fortive common stock, with a record date to be announced by Fortive. Such distributed shares of Newco common stock will convert to Altra common stock in the Merger.

**Q: If I tender some or all of my shares of Fortive common stock in this Exchange Offer, will I receive any shares of Newco common stock in the spin-off?**

A: Fortive stockholders who validly tender (and do not properly withdraw) shares of Fortive common stock for shares of Newco common stock and whose shares are accepted in this Exchange Offer will waive their rights but solely with respect to such shares to receive, and forfeit any rights to, shares of Newco common stock distributed on a pro rata basis to Fortive stockholders in the spin-off (in the event this Exchange

Offer is not fully subscribed). However, in the event any tendered shares are not accepted in this Exchange Offer for any reason, or you do not tender all of your shares of Fortive common stock, such shares will be entitled to receive shares of Newco common stock in the spin-off.

**Questions and Answers about this Prospectus, the Transactions and Related Steps**

**Q: What are the Transactions described in this prospectus?**

A: On March 7, 2018, Altra and Fortive agreed to enter into the Transactions to effect the transfer of the A&S Business to Altra. These Transactions provide for (i) the Separation and the Distribution of a portion of the



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A&S Business and the subsequent merger of Merger Sub with and into Newco, with Newco surviving as a wholly-owned subsidiary of Altra and (ii) the Direct Sales pursuant to which Altra will acquire the remaining portion of the A&S Business. In order to effect the Separation, the Distribution, the Direct Sales and the Merger, Fortive, Newco, Altra and Merger Sub entered into the Merger Agreement and Fortive, Newco and Altra entered into the Separation Agreement. In addition, Fortive, Newco, Altra and certain of their respective affiliates have entered into, or will enter into, the Ancillary Agreements in connection with the Transactions. These agreements, which are described in greater detail in Other Agreements, govern the relationship among Fortive, Newco, Altra and their respective affiliates after the Separation, the Distribution, the Direct Sales and the Merger.

On the closing date of the Merger, Fortive will distribute its shares of Newco common stock to its participating stockholders in this Exchange Offer. If this Exchange Offer is consummated but is not fully subscribed, Fortive will distribute the remaining shares of Newco common stock on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding after consummation of this Exchange Offer. Any Fortive stockholder who validly tenders (and does not properly withdraw) shares of Fortive common stock for shares of Newco common stock in this Exchange Offer will waive, with respect to such shares, their rights to receive, and forfeit any rights to, shares of Newco common stock distributed on a pro rata basis to Fortive stockholders in the event this Exchange Offer is not fully subscribed. If there is a pro rata distribution, the Exchange Offer agent will calculate the exact number of shares of Newco common stock not exchanged in this Exchange Offer and to be distributed on a pro rata basis, and the number of shares of Altra common stock into which the remaining shares of Newco common stock will be converted in the Merger will be transferred to Fortive stockholders (after giving effect to the consummation of this Exchange Offer) as promptly as practicable thereafter.

After the Merger and the Direct Sales, Altra will own and operate the A&S Business through Newco and the Direct Sales Purchasers and will also continue Altra's current business. All shares of Altra common stock, including those issued in the Merger, will be listed on Nasdaq under Altra's current trading symbol AIMC.

**Q: What are the steps for the Transactions described above?**

A: Below is a step-by-step list illustrating the material events relating to the Separation, the Distribution, the Direct Sales and the Merger. Each of these events is discussed in more detail elsewhere in this prospectus.

**Step #1 *Internal Restructuring; the Separation.*** Prior to the Distribution and the Merger, Fortive will convey to Newco or one or more subsidiaries of Fortive certain assets and liabilities constituting a portion of the A&S Business (excluding any Direct Sales Assets or Direct Sales Entities, which will be transferred in the Direct Sales described below), and will cause any applicable subsidiary of Fortive to convey to Fortive or its designated subsidiary (other than Newco or any of Newco's subsidiaries) certain excluded assets and excluded liabilities in order to separate and consolidate a portion of the A&S Business. Immediately thereafter, Fortive will contribute all the equity interests in each such subsidiary of Fortive holding assets and liabilities constituting a portion of the A&S Business to Newco.

**Step #2 *Issuance of Newco common stock.*** Immediately prior to the Distribution, Newco will issue to Fortive shares of Newco common stock. Following this issuance, Fortive will own 35 million shares of Newco common stock, which will constitute all of the issued and outstanding stock of Newco.

**Step #3 *Issuance of Newco Securities.*** Prior to the effective time of the Merger, and as a condition to the Distribution, Newco will make distributions to Fortive of the Cash Dividend and Newco Securities. Fortive expects to exchange the Newco Securities with the Debt Exchange Parties for certain outstanding debt obligations of Fortive, which may include debt securities, loans, commercial paper, or a combination thereof, held by the Debt Exchange Parties.

Following the Debt Exchange, the Debt Exchange Parties, or their affiliates, are expected to sell the Newco Securities to third-party investors. If Fortive determines that the Debt Exchange is not reasonably likely to be consummated at or prior to the End Date (as such term is

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described in *The Merger Agreement Termination* ) in an amount equal to the Above-Basis Amount at the time of the Distribution, then Fortive may elect to (i) require Newco to issue to Fortive the Newco Securities even though the Debt Exchange will not occur at the time of the Distribution, (ii) require Newco to incur indebtedness in an amount up to the Above-Basis Amount, whether in the form of debt securities, loans or a combination thereof, and distribute to Fortive an amount in cash equal to the net proceeds thereof, or (iii) terminate the Merger Agreement as described under *The Merger Agreement Termination* and pay the termination fee as described under *The Merger Agreement Termination Fees and Expenses Payable in Certain Circumstances*. Any debt securities issued by Newco to fund the Cash Dividend or issued in lieu of all or any portion of the Newco Securities may be fungible with the Newco Securities that are distributed to Fortive.

*Step #4 The Distribution; Exchange Offer or Spin-Off.* On the closing date of the Merger, Fortive will distribute 100% of the shares of Newco common stock to Fortive stockholders through either a spin-off or a split-off. In a spin-off, all Fortive stockholders would receive a pro rata number of shares of Newco common stock. In a split-off, Fortive would offer its stockholders the option to exchange all or a portion of their shares of Fortive common stock for shares of Newco common stock in an exchange offer. If this Exchange Offer is undertaken and consummated, but this Exchange Offer is not fully subscribed because fewer than all shares of Newco common stock owned by Fortive are exchanged, the remaining shares of Newco common stock owned by Fortive would be distributed on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding after consummation of this Exchange Offer. See *The Separation Agreement The Distribution*.

The Exchange Offer agent will hold, for the account of the relevant Fortive stockholders, the book-entry authorizations representing all of the outstanding shares of Newco common stock, pending the consummation of the Merger. Shares of Newco common stock will not be able to be traded during this period.

As previously noted, this disclosure has been prepared under the assumption that the shares of Newco will be distributed to Fortive stockholders pursuant to a split-off. Based on market conditions prior to closing, including, but not limited to, the relative valuation and market price of shares of common stock of Fortive and Altra, the implied valuation of the A&S Business, the likelihood of demand from stockholders of Fortive for shares of common stock of Altra to be issued in the Transactions, and the assessment by Fortive and its financial advisors on the likelihood of sufficient tenders of shares of common stock of Fortive in a split-off, Fortive will determine whether the Newco shares will be distributed to Fortive's stockholders in a spin-off or a split-off and, once a final decision is made, this disclosure will be amended to reflect that decision, if necessary.

*Step #5 The Direct Sales.* In order for Altra to acquire the remaining portion of the A&S Business, prior to the effective time of the Merger, (i) the Direct Sales Sellers will sell to the Direct Sales Purchasers the Direct Sales Assets and the Direct Sales Entities and (ii) the Direct Sales Purchasers will assume the A&S Liabilities of or attributable to the Direct Sales Sellers, in exchange for the Direct Sales Purchase Price.

*Step #6 The Merger.* In the Merger, Merger Sub will be merged with and into Newco, with Newco surviving as a wholly-owned subsidiary of Altra. In the Merger, each outstanding share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into the right to receive a number of shares of Altra common stock equal to (x) 35 million shares of Altra common stock divided by (y) the aggregate number of shares of Newco common stock issued and outstanding as of immediately prior to the effective time of the Merger.

Immediately after the consummation of the Merger, approximately 54% of the outstanding shares of Altra common stock are expected to be held by pre-Merger holders of shares of Newco common stock and approximately 46% of the

outstanding shares of Altra common stock are expected to be held by pre-Merger Altra stockholders.

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**Q: What are Fortive's reasons for pursuing the Transactions described in this prospectus?**

A: In reaching its decision to approve the Merger Agreement, the Separation Agreement and the Transactions, Fortive's board of directors considered a wide variety of factors, including the significant factors listed below, as generally supporting its decision:

the complementary nature of the product and service offerings of the A&S Business and those of Altra, the combination of which is expected to enhance the offerings of both companies to customers and solidify the position of the combined company as a premier power transmission and motion control provider;

the value creation expected to result from combining the A&S Business with Altra, and the ability of pre-Merger holders of Newco common stock and Newco Employees to participate in the future upside of the combined company as a result of holding approximately 54% of Altra's common stock on a fully-diluted basis after giving effect to the Transactions;

the expectation that the Separation, the Distribution, the Direct Sales and the Merger generally would result in a tax-efficient disposition of the A&S Business for Fortive and Fortive's stockholders;

Fortive's enhanced resources to pursue acquisition opportunities of businesses aligned with Fortive's portfolio strategies resulting from receipt of approximately \$1.4 billion in proceeds and retirement of outstanding debt from the Cash Dividend, the Debt Exchange and the Direct Sales;

the reports of Fortive's senior management regarding their due diligence review of Altra's business; and

the review by the Fortive board of directors of the structure and terms of the Merger Agreement, the Separation Agreement and the Transactions, as well as the likelihood of consummation of the Transactions and the board's evaluation of the likely time period necessary to close the Transactions.

In the course of its deliberations, the Fortive board of directors also considered a variety of risks and other potentially negative factors as set forth in the section entitled "Fortive's Reasons for the Transactions."

**Q: What are Altra's reasons for pursuing the Transactions described in this prospectus?**

A: In reaching its decision to approve the Transaction Documents and the Transactions and recommend that Altra stockholders approve the Share Issuance and the Charter Amendment, the Altra board of directors considered a wide variety of factors, including the significant factors listed below, as generally supporting its decision:

the increased size, economies of scale, geographic presence and total capabilities of Altra after the Transactions, which are expected to enable Altra to improve its cost structure and increase profitability;

the complementary asset portfolios and strengths of Altra and the A&S Business and the expectation that the combination with the A&S Business would diversify Altra's mix of product offerings, including the A&S Business's electric, electronic and software content in precision motion control, such as engineered servo-motors, direct drive and linear automation;

the expectation that Altra would maintain broad market presence, with an enhanced position in medical, advanced material handling and robotics end-markets and reduced relative exposure to more cyclical end-markets, such as mining, renewable energy and oil and gas;

the expectation that Altra would achieve approximately \$46 million of estimated annual cost synergies anticipated to be realized within four years from the consummation of the Transactions as a result of anticipated enhanced strategic flexibility and scale and application of the A&S Business's supply chain expertise and Altra's Operational Excellence Program, and the expectation that if Altra and the A&S Business are able to expand existing products into additional geographies and markets, potential revenue synergies resulting in approximately \$6 million of additional annual operating income may be achievable within four years following the consummation of the Transactions;

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the expectation that the A&S Business employees' experience with and knowledge of the established Fortive Business System tools will drive improvement in manufacturing, leadership and growth, and enhance Altra's ability to achieve its strategic objectives with respect to its existing business and the businesses of the combined company;

the expectation that the cash flow from the combined businesses after the Transactions would be strong enough to allow Altra to maintain its current annual dividend and to repay indebtedness incurred to finance the Transactions;

the oral opinion of Goldman Sachs & Co. LLC ( "Goldman Sachs" ) rendered to the Altra board of directors on March 6, 2018, subsequently confirmed in writing by delivery of a written opinion dated March 7, 2018, that, as of the date of the written fairness opinion and based upon and subject to the factors and assumptions set forth in such written fairness opinion, the Consideration (as such term is defined below in "Opinion of Goldman Sachs & Co. LLC" ) to be paid by Altra pursuant to the Merger Agreement was fair from a financial point of view to Altra, as more fully described below in "Opinion of Goldman Sachs & Co. LLC"; and

the oral opinion of KeyBanc Capital Markets Inc. ( "KBCM" ) rendered to the Altra board of directors on March 6, 2018, subsequently confirmed in writing by delivery of a written opinion dated March 6, 2018, that, as of the date of the written fairness opinion and based upon and subject to the factors and assumptions set forth in such written fairness opinion, the Consideration (as such term is defined below in "Opinion of KeyBanc Capital Markets Inc." ) to be paid by Altra pursuant to the Merger Agreement was fair from a financial point of view to Altra, as more fully described below in "Opinion of KeyBanc Capital Markets Inc."

In the course of its deliberations, the Altra board of directors also considered a variety of risks and other potentially negative factors as set forth in the section entitled "Altra's Reasons for the Transactions."

**Q: Why will the ownership of Altra following the Transactions between Fortive equityholders and existing Altra equityholders be approximately 54% and 46% on a fully-diluted basis, respectively?**

A: It is expected that upon completion of the Transactions, pre-Merger holders of shares of Newco common stock and Newco Employees will hold approximately 54% of Altra's common stock on a fully-diluted basis and Altra's existing equityholders will hold approximately 46% of Altra's common stock on a fully-diluted basis. The ownership of Altra following the Merger was the result of a negotiated value exchange between Fortive and Altra, which was based upon each party's valuations, prior to the Merger, of Altra and the A&S Business. The proposed Transactions are structured as a Reverse Morris Trust acquisition, which is intended to allow a parent company (here, Fortive) to distribute a subsidiary or a business (here, Newco) in a tax-efficient manner. The first step of such a transaction is the distribution through a dividend (a "spin-off"), exchange offer (a "split-off") or a combination of a spin-off and split-off of the subsidiary stock to or with the parent company stockholders that is intended to qualify under Section 355 of the Code. The distributed subsidiary then merges with the acquiring third party (here, Merger Sub) in a reorganization that is intended to qualify under Section 368 of the Code. Such a transaction can qualify as tax-free for U.S. federal income tax purposes for the parent company, its stockholders and the acquiring third party's stockholders if the transaction structure meets all applicable requirements, including that the parent company stockholders own more than 50% of the stock of the combined entity

immediately after the merger. Therefore, in order to meet all applicable requirements of the Code, Fortive stockholders must own more than 50% of the Altra common stock outstanding immediately following the Merger.

**Q: What will Fortive stockholders receive in the Transactions?**

A: In this Exchange Offer, Fortive will offer to Fortive stockholders the right to exchange all or a portion of their shares of Fortive common stock for shares of Newco common stock. In the event this Exchange Offer is not fully subscribed, Fortive will distribute in the spin-off the remaining shares of Newco common stock



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owned by Fortive on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding after the consummation of this Exchange Offer. In the Merger, the shares of Newco common stock will be converted into the right to receive shares of Altra common stock. Thus, each Fortive stockholder will ultimately receive shares of Altra common stock in the Distribution and the Merger. Fortive stockholders will not be required to pay for the shares of Newco common stock distributed in the spin-off or the shares of Altra common stock issued in the Merger. Fortive stockholders will receive cash from the Exchange Offer agent in lieu of any fractional shares of Altra common stock to which such stockholders would otherwise be entitled. All shares of Altra common stock issued in the Merger will be issued in book entry form.

Calculated based on the closing price on Nasdaq of Altra common stock as of August 3, 2018, the shares of Altra common stock that Altra expects to issue to Fortive stockholders as a result of the Transactions would have had a market value of approximately \$1.5 billion in the aggregate (the actual value will not be known until the closing date of the Merger). For more information, see [The Transactions The Separation and the Distribution](#) beginning on page 155, [The Transactions The Merger](#) beginning on page 156 and [The Transactions Calculation of the Merger Consideration](#) beginning on page 156.

**Q: Are there any conditions to the consummation of the Transactions?**

A: Yes. Consummation of the Transactions is subject to a number of conditions, including:

the approval by Altra's stockholders of the Share Issuance;

the registration statements on Forms S-4 and S-1 of which this prospectus is a part have become effective under the Securities Act;

the receipt by Fortive of an IRS ruling addressing the tax consequences of certain aspects of the Debt Exchange (unless Fortive has not obtained such IRS ruling by December 31, 2018, or takes certain actions relating to the financing transactions, in which case the condition will be deemed waived);

the receipt by Fortive and Newco of the Distribution Tax Opinion and a Merger Tax Opinion from Fortive's tax counsel, dated as of the closing date of the Merger;

the receipt by Altra and Merger Sub of a Merger Tax Opinion from Altra's tax counsel, dated as of the closing date of the Merger;

the completion of the various transaction steps contemplated by the Merger Agreement and the Separation Agreement, including the Separation and the Distribution;

the expiration or termination of any waiting period applicable to the Merger under applicable antitrust or competition laws in the United States and receipt of additional antitrust approvals in applicable jurisdictions (which waiting period has expired and approvals have been received);

the Debt Exchange shall have been consummated and Fortive shall have received the Cash Dividend immediately before the Distribution; and

other customary conditions.

For a description of the material conditions precedent to the Transactions, see The Merger Agreement Conditions to the Merger.

**Q: What will Altra stockholders receive in the Merger?**

A: Altra stockholders will not directly receive any consideration in the Merger. All shares of Altra common stock issued and outstanding immediately before the Merger will remain issued and outstanding after the consummation of the Merger. Immediately after the Merger, Altra stockholders will continue to own shares in Altra, which will include the A&S Business, including Newco, as a wholly-owned subsidiary of Altra, and Altra will be responsible for repaying the approximately \$1.7 billion of debt that will be incurred or

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refinanced in connection with the Transactions. After the consummation of the Merger, the debt obligations incurred by Newco are expected to be guaranteed by Altra and its wholly-owned domestic subsidiaries, and the debt obligations incurred by Altra in connection with the Transactions are expected to be guaranteed by Newco and its wholly-owned domestic subsidiaries.

**Q: What is the estimated total value of the consideration to be paid by Altra in the Transactions?**

A: Altra expects to issue approximately 35 million shares of Altra common stock in the Merger. Based upon the reported closing sale price of \$42.00 per share for Altra common stock on Nasdaq on August 3, 2018, the total value of the shares to be issued by Altra and the cash and debt instruments expected to be received by Fortive in the Transactions would have been approximately \$2.9 billion. The actual value of the Altra common stock to be issued in the Merger will depend on the market price of shares of Altra common stock at the time of determination.

**Q: Are there possible adverse effects on the value of Altra common stock to be received by Fortive stockholders who participate in this Exchange Offer?**

A: Fortive stockholders that participate in this Exchange Offer will be exchanging their shares of Fortive common stock for shares of Newco common stock at a discount to the per-share value of Altra common stock, subject to the upper limit. The existence of a discount, along with the Share Issuance, may negatively affect the market price of Altra common stock. Altra also expects to incur significant one-time costs in connection with the Transactions, including advisory, legal, accounting and other professional fees related to the Transactions, transition and integration expenses, such as consulting professionals' fees, information technology implementation costs, financing fees and relocation costs, that Altra management believes are necessary to realize anticipated annualized cost synergies. The incurrence of these costs may have an adverse impact on Altra's liquidity or operating results in the periods in which they are incurred. Finally, Altra will be required to devote a significant amount of time and attention to the process of integrating the operations of Altra and the A&S Business. If Altra is not able to effectively manage the process, Altra's business could suffer and its stock price may decline. In addition, the market price of Altra common stock could decline as a result of sales of a large number of shares of Altra common stock in the market after the consummation of the Transactions or even the perception that these sales could occur. See Risk Factors for a further discussion of the material risks associated with the Transactions.

**Q: How will the Transactions impact the future liquidity and capital resources of Altra?**

A: The approximately \$1.7 billion of indebtedness expected to be incurred under the Altra Term Loan B Facility, the Notes, the Newco Securities and the Bridge Facility, if any, which are each described in Debt Financing, will be the debt obligations of Newco and Altra. After the consummation of the Merger, the debt obligations of Newco are expected to be guaranteed by Altra and its wholly-owned domestic subsidiaries, and the debt obligations of Altra incurred to finance the Transactions are expected to be guaranteed by Newco and its wholly-owned domestic subsidiaries. Altra anticipates that its primary sources of liquidity for working capital and operating activities, including any future acquisitions, will be cash from operations and borrowings under the Altra Revolving Credit Facility described in more detail in Debt Financing. Altra expects that these sources of liquidity

will be sufficient to make required payments of interest on the outstanding Altra debt and to fund working capital and capital expenditure requirements, including the significant one-time costs relating to the Transactions. Altra expects that it will be able to comply with the financial and other covenants under the credit agreement governing the Altra Term Loan B Facility and the Altra Revolving Credit Facility, the indentures or other instruments governing the Newco Securities and the Notes and the credit agreement governing the Bridge Facility, if any. Altra believes that the combination of Altra and the A&S Business will result in anticipated annualized cost synergies of approximately \$46 million within four years following the consummation of the Transactions

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as a result of anticipated enhanced strategic flexibility and scale and through the application of the A&S Business's supply chain expertise and Altra's Operational Excellence Program. If Altra and the A&S Business are able to expand existing products into additional geographies and markets, potential revenue synergies resulting in approximately \$6 million of additional annual operating income may be achievable within four years following the consummation of the Transactions. Altra expects to incur significant, one-time costs in connection with the Transactions, including approximately \$85 to \$95 million in transaction-related costs (of which \$45 to \$50 million will be capitalized) and approximately \$24 million in non-recurring implementation costs during the first four years following the consummation of the Transactions that Altra management believes are necessary to realize the anticipated synergies from the Transactions. See Information on Altra's Liquidity and Capital Resources After the Transactions. The incurrence of these costs may have an adverse impact on Altra's liquidity, cash flows and operating results in the periods in which they are incurred.

### **Q: How do the Transactions impact Altra's dividend policy?**

A: Declarations of dividends on Altra's common stock are made at the discretion of Altra's board of directors upon the board's determination that the declaration of dividends are in the best interest of Altra's stockholders. Altra has consistently paid regular dividends, which have increased by more than 300% since being introduced during the quarter ended March 31, 2012. In April 2018, Altra's board of directors declared a quarterly dividend of \$0.17 per share, consistent with its dividend declarations in the prior four quarters. Pursuant to the Merger Agreement, Altra has agreed that prior to the consummation of the Transactions, Altra's board of directors will not declare or pay any dividends or other distributions other than the declaration and payment of regular quarterly cash dividends of an amount not to exceed \$0.17 per share.

### **Q: What will Fortive receive in the Transactions?**

A: Immediately prior to the Distribution, Fortive will receive the Cash Dividend and the Newco Securities to be used in the Debt Exchange (or cash if Fortive elects to receive a cash dividend from Newco in lieu of the Newco Securities). The Newco Securities are expected to be issued by Newco directly to Fortive prior to the Distribution. The Newco Securities will be the debt obligations of Newco and, following the consummation of the Merger, are expected to be guaranteed by Altra and its wholly-owned domestic subsidiaries. In connection with the Direct Sales, Fortive will receive the Direct Sales Purchase Price. As a result, Fortive expects to receive in aggregate an amount equal to approximately \$1.4 billion in the Transactions, consisting of approximately (x) \$400 million from the Cash Dividend and the Debt Exchange in connection with the Separation, the Newco Contribution and the Distribution, subject to adjustments, and (y) the Direct Sales Purchase Price.

### **Q: Will the Separation, the Distribution or the Merger affect the Fortive equity awards held by employees of the A&S Business who become employees of Newco?**

A: Yes. Certain employees of the A&S Business who will become employees of Newco hold Fortive Options or Fortive RSUs. The specific treatment of these awards depends on whether they are vested as of the effective time of the Merger. Each Fortive Option that is held by an employee of the A&S Business who becomes an employee

of Newco and is vested and exercisable immediately before the effective time of the Merger will remain outstanding for 90 days following the closing date of the Merger. If any in-the-money vested Fortive Options remain unexercised as of the end of such 90 day period, such vested options will be automatically exercised on a net basis prior to expiration. Each Fortive RSU that is held by an employee of the A&S Business who becomes an employee of Newco and is vested but not settled as of immediately before the effective time of the Merger will be settled in accordance with its terms in shares of Fortive common stock on or as soon as practicable following the closing date of the Merger. Each of these Fortive Options and Fortive RSUs may be equitably adjusted in accordance with the terms and conditions of the

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Fortive Equity Plan and the applicable award agreement. Fortive does not believe that any adjustments will be made in the event that this Exchange Offer is fully subscribed.

For a more complete description of the treatment of equity awards held by Fortive employees who become employees of Newco, including the treatment of Fortive Equity Awards that are unvested as of the effective time of the Merger, see Other Agreements Employee Matters Agreement Treatment of Fortive Equity Incentive Awards beginning on page 245.

**Q: Will the Separation, the Distribution or the Merger affect the Fortive equity-based awards held by current and former employees of Fortive who do not become employees of Newco?**

A: Certain current and former employees of Fortive who will not become employees of Newco hold equity-based awards relating to shares of Fortive common stock. The number and the exercise price of Fortive Options held by these current and former employees may be adjusted if determined by the Fortive board of directors to be necessary so that there is no change by reason of the proposed Transactions to the intrinsic value of the options (the excess of the fair market value of the underlying shares of Fortive common stock over the option's aggregate exercise price) or the ratio of the option's aggregate exercise price to the fair market value of the underlying shares of Fortive common stock, and the number of other Fortive equity-based awards held by these current and former employees may be similarly adjusted to the extent necessary so that there is no change by reason of the proposed Transactions to the aggregate fair market value of the Fortive equity-based awards. However, Fortive does not believe that any such adjustments will be made in the event this Exchange Offer is fully subscribed. In addition, any performance based vesting conditions applicable to the Fortive equity-based awards may be adjusted if determined by the Fortive board of directors to be necessary to reflect the proposed Transactions.

**Q: What are the material U.S. federal income tax consequences to Fortive stockholders resulting from the Distribution and the Merger?**

A: The completion of the Newco Contribution, the Distribution and the Merger is conditioned upon the receipt by Fortive of an opinion of its tax counsel, to the effect that (among other things), for U.S. federal income tax purposes, the Newco Contribution, taken together with the Distribution, will qualify as a reorganization under Sections 368(a), 361 and 355 of the Code (the Distribution Tax Opinion). Provided that the Newco Contribution and the Distribution so qualify, Fortive's stockholders will not recognize any taxable income, gain or loss as a result of the Distribution for U.S. federal income tax purposes.

In addition, the completion of the Newco Contribution, the Distribution and the Merger is conditioned upon the receipt by Fortive and Altra of opinions of counsel to the effect that, for U.S. federal income tax purposes, the Merger will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code (the Merger Tax Opinions). Provided that the Merger so qualifies, Fortive and its stockholders will not recognize any taxable income, gain or loss as a result of the Merger for U.S. federal income tax purposes (except for any gain or loss attributable to the receipt of cash in lieu of fractional shares of Altra common stock). See U.S. Federal Income Tax Consequences of the Transactions for more information regarding the potential tax consequences of the Transactions.

**Q:**

**What are the material U.S. federal income tax consequences to Altra and Altra's stockholders resulting from the Transactions?**

- A: Altra will not recognize any gain or loss for U.S. federal income tax purposes as a result of the Merger. Because Altra stockholders will not participate in the Distribution or the Merger, Altra stockholders will generally not recognize gain or loss upon either the Distribution (including this Exchange Offer) or the Merger. Altra stockholders should consult their own tax advisors for a full understanding of the tax consequences to them of the Distribution and the Merger.



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**Q: Are there risks associated with the Transactions?**

A: Yes. The material risks and uncertainties associated with the Transactions are discussed in the section entitled Risk Factors beginning on page 55 and the section entitled Cautionary Statement Concerning Forward-Looking Statements beginning on page 80. Those risks include, among others, the possibility that the Transactions may not be completed, the possibility that Altra may fail to realize the anticipated benefits of the Merger, the uncertainty that Altra will be able to integrate the A&S Business successfully, the possibility that Altra may be unable to provide benefits and services or access to equivalent financial strength and resources to the A&S Business that historically have been provided by Fortive, and the substantial dilution to the ownership interest of current Altra stockholders following the consummation of the Merger.

**Q: Who will serve on the Altra board of directors following completion of the Merger?**

A: Those directors of Altra serving on its board of directors immediately before the effective time of the Merger are expected to continue to serve as directors of Altra immediately following the closing of the Merger. In addition, as of immediately following the effective time of the Merger, Altra will increase the size of its board of directors by one member, and one individual selected by Fortive (which individual is currently anticipated to be Patrick K. Murphy, Fortive's Senior Vice President) will be appointed to fill the vacancy and will, subject to the fiduciary duties of Altra's board of directors, be nominated for re-election at the expiration of such director's initial term. However, if Fortive's designated director: (i) is unwilling or unable to serve at the effective time of the Merger, (ii) is unwilling or unable to serve when such new term starts or (iii) is not nominated to serve such new term, then Fortive will designate a replacement, acceptable to Altra in its sole discretion, for such director before the effective time of the Merger or the start of such new term, as applicable.

**Q: Will Altra's current senior management team manage the business of Altra after the Transactions?**

A: Yes. It is expected that Altra's current management team will remain intact for the combined business, but may be expanded to include new management team members from the A&S Business. The executive officers of Altra immediately prior to the closing of the Merger are expected to remain executive officers of Altra immediately following the closing of the Merger.

**Q: What stockholder approvals are needed in connection with the Transactions?**

A: Altra cannot complete the Transactions unless the proposal relating to the Share Issuance is approved by the affirmative vote of a majority of the shares of Altra common stock represented and voting at the special meeting, either in person or by proxy (assuming a quorum is present). Altra has scheduled a special meeting of stockholders on September 4, 2018 to approve the Share Issuance. No vote of Fortive stockholders is required or being sought in connection with the Transactions.

**Q: Where will the Altra shares issued in connection with the Merger be listed?**

A: Altra common stock is listed on Nasdaq under AIMC. After consummation of the Transactions, all shares of Altra common stock issued in the Merger, and all other outstanding shares of Altra common stock, will continue to be listed on Nasdaq.

**Q: What is the current relationship between Newco and Altra?**

A: Newco is currently a wholly-owned subsidiary of Fortive and was formed as a Delaware corporation on February 13, 2018 to effectuate the Separation, the Distribution and the Merger. Other than in connection with the Transactions, there is no relationship between Newco and Altra.

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**Q: When will the Transactions be completed?**

A: Altra and Fortive are working to complete the Merger as quickly as possible after satisfaction of the closing conditions, including consummation of certain transactions contemplated by the Merger Agreement and the Separation Agreement (such as the Separation) and receipt of Altra stockholder approval for the Share Issuance. In addition, other important conditions to the closing of the Separation and the Merger exist, including, among other things, the completion of the Internal Restructuring necessary to separate Fortive's A&S assets and liabilities from Fortive's other business, and the receipt by Fortive of an IRS ruling addressing the tax consequences of certain aspects of the Debt Exchange (unless Fortive has not obtained such IRS ruling by December 31, 2018, or takes certain actions relating to the financing transactions, in which case the condition will be deemed waived), the Distribution Tax Opinion and the Merger Tax Opinions. Altra and Fortive anticipate that the transfer of certain assets and liabilities of the A&S Business will be completed after the closing date of the Merger due to regulatory and other delays in certain jurisdictions outside the United States. It is possible that factors outside Altra's and Fortive's control could require Fortive to complete the Separation and the Distribution and Altra and Fortive to complete the Merger at a later time or not complete them at all. For a discussion of the conditions to the Separation and the Merger, see [The Transactions Regulatory Approvals](#) beginning on page 198, [The Merger Agreement Conditions to the Merger](#) beginning on page 217, and [The Separation Agreement Conditions to the Separation](#) beginning on page 230.

**Q: When is the termination date of the Merger Agreement?**

A: Subject to specified qualifications and exceptions, either Fortive or Altra may terminate the Merger Agreement at any time prior to the consummation of the Merger if the Merger has not been consummated by December 7, 2018 or, in certain circumstances at the election of Fortive or Altra, by February 12, 2019. See [The Merger Agreement Termination](#).

**Q: Does Altra have to pay anything to Fortive if the Share Issuance is not approved by the Altra stockholders or if the Merger Agreement is otherwise terminated?**

A: Depending on the reasons for termination of the Merger Agreement, Altra may have to pay Fortive a termination fee of \$40 million or reimburse Fortive for its expenses in connection with the Transactions not to exceed \$5 million. For a discussion of the circumstances under which the termination fee is payable by Altra or the requirement to reimburse expenses applies, see [The Merger Agreement Termination Fees and Expenses Payable in Certain Circumstances](#).

**Q: Does Fortive have to pay anything to Altra if the Merger Agreement is terminated?**

A: Depending on the reasons for termination of the Merger Agreement, Fortive may have to pay Altra a termination fee of \$40 million. For a discussion of the circumstances under which the termination fee is payable by Fortive, see [The Merger Agreement Termination Fees and Expenses Payable in Certain Circumstances](#).

**Q: Who can answer my questions about the Transactions or this Exchange Offer?**

A: If you have any questions about the Transactions or this Exchange Offer or you would like to request additional documents, including copies of this prospectus and the letter of transmittal (including the instructions thereto), please contact the information agent, D.F. King & Co. Inc., located at 48 Wall Street, 22<sup>nd</sup> floor, New York, NY 10005, at the telephone number (800) 515-4479 or at the email address [ftv@dfking.com](mailto:ftv@dfking.com).

**Q: Who is the transfer agent for Altra common stock and the Exchange Offer agent for the Distribution?**

A: American Stock Transfer and Trust Co. is the transfer agent for Altra common stock. Computershare will be the merger exchange agent and the Exchange Offer agent for the Distribution.

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**Q: Where can I find more information about Fortive, Altra, Newco and the Transactions?**

A: You can find out more information about Fortive, Altra, Newco and the Transactions by reading this prospectus and, with respect to Fortive and Altra, from various sources described in **Where You Can Find More Information; Incorporation By Reference** beginning on page 272.

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**SUMMARY**

The following summary contains certain information described in more detail elsewhere in this prospectus. It does not contain all the details concerning the Transactions, including information that may be important to you. To better understand the Transactions, you should carefully review this entire document and the documents it refers to. See *Where You Can Find More Information*; *Incorporation by Reference*.

**The Companies**

*Altra Industrial Motion Corp.*

Altra Industrial Motion Corp.

300 Granite Street, Suite 201

Braintree, MA 02184

Telephone: (781) 917-0600

Altra was incorporated in 2004 and is headquartered in Braintree, Massachusetts. Altra is a leading global designer, producer, and marketer of a wide range of mechanical power transmissions components, which include clutches, brakes, couplings and gearing. Altra sells its products in over 70 countries in a diverse group of industries, including energy, general industrial, material handling, metals, mining, special machinery, transportation, and turf and garden.

*McHale Acquisition Corp.*

McHale Acquisition Corp.

c/o Altra Industrial Motion Corp.

300 Granite Street, Suite 201

Braintree, MA 02184

Telephone: (781) 917-0600

McHale Acquisition Corp., a Delaware corporation, is a newly formed, direct wholly-owned subsidiary of Altra that was organized specifically for the purpose of completing the Merger. Merger Sub has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and in connection with the Transactions.

*Fortive Corporation*

Fortive Corporation

6920 Seaway Boulevard

Everett, WA 98203

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Telephone: (425) 446-5000

Fortive was incorporated in 2015 in connection with the Danaher Separation on July 2, 2016. Fortive is a diversified industrial growth company with well-known brands that hold leading positions in field solutions, transportation technology, sensing, product realization, Automation & Specialty and franchise distribution markets. Fortive designs, develops, services, manufactures and markets various products, software and services for a variety of industries, building on a foundation of leading brand names, innovative technology and significant market positions. Fortive is headquartered in Everett, Washington and has research and development, manufacturing, sales, distribution, service and administrative facilities in more than 40 countries. Fortive operates in two segments: (i) Professional Instrumentation, which includes Fortive's Advanced Instrumentation & Solutions and Sensing Technologies businesses, and (ii) Industrial Technologies, which includes Fortive's Transportation Technologies, Automation & Specialty Components and Franchise Distribution businesses.

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*Stevens Holding Company, Inc.*

Stevens Holding Company, Inc.

c/o Fortive Corporation

6920 Seaway Boulevard

Everett, WA 98203

Telephone: (425) 446 5000

Stevens Holding Company, Inc., a Delaware corporation, is a newly formed, direct wholly-owned subsidiary of Fortive that was organized specifically for the purpose of effecting the Separation. Newco has engaged in no business activities to date and it has no material assets or liabilities of any kind, other than those incident to its formation and those incurred in connection with the Transactions.

Newco is a holding company. In the Transactions, Fortive will transfer certain assets and liabilities related to the A&S Business (excluding any Direct Sales Assets or Direct Sales Entities, which will be transferred in the Direct Sales), including certain subsidiaries of Fortive, to Newco or its subsidiaries in exchange for the (i) issuance to Fortive of shares of Newco common stock, (ii) the Newco Securities and (iii) the Cash Dividend.

**The Transactions**

On March 7, 2018, Altra and Fortive agreed to enter into the Transactions to effect the transfer of a portion of the A&S Business to Altra, the transfer of certain non-U.S. assets, liabilities and entities constituting the remaining portion of the A&S Business directly to Altra or one or more subsidiaries of Altra and the assumption by Altra and its subsidiaries of substantially all of the liabilities associated with the transferred assets. These Transactions provide for the separation and distribution of a portion of the A&S Business and the subsequent merger of Merger Sub with and into Newco, with Newco, as the surviving entity, a wholly-owned subsidiary of Altra, as well as the direct sale to Altra of the remaining portion of the A&S Business. In order to effect the Separation, the Distribution, the Direct Sales and the Merger, Fortive, Newco, Altra and Merger Sub entered into the Merger Agreement and Fortive, Newco and Altra entered into the Separation Agreement. In addition, Fortive, Newco, Altra and certain of their respective affiliates entered into, or will enter into, the Ancillary Agreements in connection with the Transactions. These agreements, which are described in greater detail in this prospectus, govern the relationships among Fortive, Newco, Altra, Merger Sub and their respective affiliates after the consummation of Separation, the Distribution, the Direct Sales and the Merger.

The A&S Business consists of the Automation & Specialty platform of Fortive and its subsidiaries as conducted by them under certain related brands, including by the Portescap, Kollmorgen, Thomson and Jacobs Vehicle Systems operating companies, the A&S Companies and the Direct Sales Asset Sellers, but excluding Fortive's Hengstler and Dynapar businesses. Prior to the Distribution and the Merger, Fortive will convey to Newco or one or more subsidiaries of Fortive certain assets and liabilities constituting a portion of the A&S Business, and will cause any applicable subsidiary of Fortive to convey to Fortive or its designated subsidiary (other than Newco or any of Newco's subsidiaries) certain excluded assets and excluded liabilities in order to separate and consolidate a portion of the A&S Business. Immediately thereafter, Fortive will contribute all the equity interests in each such subsidiary of Fortive holding assets and liabilities constituting a portion of the A&S Business to Newco. In exchange, Newco will: (i) issue to Fortive shares of Newco common stock, (ii) issue to Fortive the Newco Securities and (iii) distribute to Fortive the



Cash Dividend. In total, Newco will make distributions to Fortive of cash and debt instruments of Newco with an aggregate value of \$400 million, of which \$150 million (subject to adjustment as provided in the Separation Agreement) is expected to be the Cash Dividend, and \$250 million (subject to adjustment as provided in the Separation Agreement) is expected to be issued as Newco Securities. In addition, pursuant to the Merger Agreement, in the Direct Sales, Fortive will transfer certain non-U.S. assets, liabilities and entities constituting the remaining portion of the A&S Business

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directly to Altra or one or more subsidiaries of Altra, and the Altra subsidiaries will assume substantially all of the liabilities associated with the transferred assets, in exchange for the Direct Sales Purchase Price, which is expected to be \$1.0 billion. Fortive will transfer the Newco Securities to certain parties in exchange for certain outstanding debt obligations of Fortive held by the Debt Exchange Parties. Following the Debt Exchange, the Debt Exchange Parties are expected to sell the Newco Securities to third-party investors. The Direct Sales were included in the Transactions as a way to dispose of certain non-US assets, liabilities and entities of the A&S Business to Altra subsidiaries for cash in a tax-efficient manner, while reducing the size of the Debt Exchange needed in order to provide Fortive with the same level of monetization of the A&S Business in the Transactions.

On the closing date of the Merger, Fortive will distribute all of the issued and outstanding shares of Newco common stock held by Fortive to its participating stockholders in this Exchange Offer. If this Exchange Offer is consummated but is not fully subscribed, Fortive will distribute the remaining shares of Newco common stock on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding after consummation of this Exchange Offer. Any Fortive stockholder who validly tenders (and does not properly withdraw) shares of Fortive common stock for shares of Newco common stock in this Exchange Offer will waive their rights with respect to such shares to receive, and forfeit any rights to, shares of Newco common stock distributed on a pro rata basis to Fortive stockholders in the event this Exchange Offer is not fully subscribed. If there is a pro rata distribution, the Exchange Offer agent will calculate the exact number of shares of Newco common stock not exchanged in this Exchange Offer and to be distributed on a pro rata basis, and the number of shares of Altra common stock into which the remaining shares of Newco common stock will be converted in the Merger will be transferred to Fortive stockholders (after giving effect to the consummation of this Exchange Offer) as promptly as practicable thereafter.

Immediately after the Distribution and on the closing date of the Merger, Merger Sub will merge with and into Newco, whereby the separate corporate existence of Merger Sub will cease and Newco will continue as the surviving company and as a wholly-owned subsidiary of Altra. In the Merger, each share of Newco common stock will be converted into the right to receive shares of Altra common stock based on the exchange ratio set forth in the Merger Agreement, as described in the section of this document entitled *The Merger Agreement Merger Consideration*. After the consummation of the Merger and the Direct Sales, Altra will own and operate the A&S Business through Newco and the Direct Sales Purchasers and will also continue Altra's current businesses. All shares of Altra common stock, including those issued in the Merger, will be listed on Nasdaq under Altra's current trading symbol AIMC.

In connection with the Merger, Altra expects to issue 35 million shares of Altra common stock to Fortive stockholders that receive shares of Newco common stock in the Distribution. Calculated based on the closing price on Nasdaq of Altra common stock as of August 3, 2018, the shares of Altra common stock that Altra expects to issue to such Fortive stockholders as a result of the Transactions would have had a market value of approximately \$1.5 billion in the aggregate (the actual value will not be known until the closing date). See *Calculation of the Merger Consideration*.

As a result of the Transactions described above, the aggregate value of the consideration payable to Fortive or Fortive stockholders with respect to the A&S Business is estimated, as of August 3, 2018, to be approximately \$2.9 billion, consisting of (i) approximately \$1.5 billion in value of Altra common stock (calculated based on the closing price on Nasdaq of the Altra common stock as of August 3, 2018) issuable to Fortive stockholders that participate in this Exchange Offer, (ii) \$1.0 billion in cash payable to certain subsidiaries of Fortive in respect of the Direct Sales and (iii) \$400 million payable to Fortive in respect of the Cash Dividend and issuance of the Newco Securities.

***Transaction Steps***

Below is a step-by-step list illustrating the material events relating to the Separation, the Distribution and the Merger. Each of these events is discussed in more detail elsewhere in this prospectus.



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**Step #1 *Internal Restructuring; the Separation.*** Prior to the Distribution and the Merger, Fortive will convey to Newco or one or more subsidiaries of Fortive certain assets and liabilities constituting a portion of the A&S Business (excluding any Direct Sales Assets or Direct Sales Entities, which will be transferred in the Direct Sales described below), and will cause any applicable subsidiary of Fortive to convey to Fortive or its designated subsidiary (other than Newco or any of Newco's subsidiaries) certain excluded assets and excluded liabilities in order to separate and consolidate a portion of the A&S Business. Immediately thereafter, Fortive will contribute all the equity interests in each such subsidiary of Fortive holding assets and liabilities constituting a portion of the A&S Business to Newco.

**Step #2 *Issuance of Newco common stock.*** Immediately prior to the Distribution, Newco will issue to Fortive shares of Newco common stock. Following this issuance, Fortive will own 35 million shares of Newco common stock, which will constitute all of the issued and outstanding stock of Newco.

**Step #3 *Issuance of Newco Securities.*** Prior to the effective time of the Merger, and as a condition to the Distribution, Newco will make distributions to Fortive of the Cash Dividend and Newco Securities. Fortive expects to exchange the Newco Securities with the Debt Exchange Parties for certain outstanding debt obligations of Fortive, which may include debt securities, loans, commercial paper, or a combination thereof, held by the Debt Exchange Parties. Following the Debt Exchange, the Debt Exchange Parties, or their affiliates, are expected to sell the Newco Securities to third-party investors. If Fortive determines that the Debt Exchange is not reasonably likely to be consummated at or prior to the End Date (as such term is described in The Merger Agreement Termination ) in an amount equal to the Above-Basis Amount at the time of the Distribution, then Fortive may elect to (i) require Newco to issue to Fortive the Newco Securities even though the Debt Exchange will not occur at the time of the Distribution, (ii) require Newco to incur indebtedness in an amount up to the Above-Basis Amount, whether in the form of debt securities, loans or a combination thereof, and distribute to Fortive an amount in cash equal to the net proceeds thereof, or (iii) terminate the Merger Agreement as described under The Merger Agreement Termination and pay the termination fee as described under The Merger Agreement Termination Fees and Expenses Payable in Certain Circumstances. Any debt securities issued by Newco to fund the Cash Dividend or issued in lieu of all or any portion of the Newco Securities may be fungible with the Newco Securities that are distributed to Fortive.

**Step #4 *The Distribution; Exchange Offer or Spin-Off.*** On the closing date of the Merger, Fortive will distribute 100% of the shares of Newco common stock to Fortive stockholders through either a spin-off or a split-off. In a spin-off, all Fortive stockholders would receive a pro rata number of shares of Newco common stock. In a split-off, Fortive would offer its stockholders the option to exchange all or a portion of their shares of Fortive common stock for shares of Newco common stock in an exchange offer. If this Exchange Offer is undertaken and consummated, but this Exchange Offer is not fully subscribed because fewer than all shares of Newco common stock owned by Fortive are exchanged, the remaining shares of Newco common stock owned by Fortive would be distributed on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding after consummation of this Exchange Offer. See The Separation Agreement The Distribution.

The Exchange Offer agent will hold, for the account of the relevant Fortive stockholders, the book-entry authorizations representing all of the outstanding shares of Newco common stock, pending the consummation of the Merger. Shares of Newco common stock will not be able to be traded during this period.

As previously noted, this disclosure has been prepared under the assumption that the shares of Newco will be distributed to Fortive stockholders pursuant to a split-off. Based on market conditions prior to closing, including, but not limited to, the relative valuation and market price of shares of common stock of Fortive and Altra, the implied valuation of the A&S Business, the likelihood of demand from stockholders of Fortive for shares of common stock of Altra to be issued in the Transactions, and the assessment by Fortive and its financial



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advisors on the likelihood of sufficient tenders of shares of common stock of Fortive in a split-off, Fortive will determine whether the Newco shares will be distributed to Fortive's stockholders in a spin-off or a split-off and, once a final decision is made, this disclosure will be amended to reflect that decision, if necessary.

Step #5 *The Direct Sales*. In order for Altra to acquire the remaining portion of the A&S Business, prior to the effective time of the Merger, (i) the Direct Sales Sellers will sell to the Direct Sales Purchasers the Direct Sales Assets and the Direct Sales Entities and (ii) the Direct Sales Purchasers will assume the A&S Liabilities of or attributable to the Direct Sales Sellers, in exchange for the Direct Sales Purchase Price.

Step #6 *The Merger*. In the Merger, Merger Sub will be merged with and into Newco, with Newco surviving as a wholly-owned subsidiary of Altra. In the Merger, each outstanding share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into the right to receive a number of shares of Altra common stock equal to (x) 35 million shares of Altra common stock divided by (y) the aggregate number of shares of Newco common stock issued and outstanding as of immediately prior to the effective time of the Merger.

Immediately after the consummation of the Merger, approximately 54% of the outstanding shares of Altra common stock are expected to be held by pre-Merger holders of shares of Newco common stock and approximately 46% of the outstanding shares of Altra common stock are expected to be held by pre-Merger Altra stockholders.

Set forth below are diagrams that graphically illustrate, in simplified form, the existing corporate structure, the corporate structure immediately following the Separation and Distribution but before the Merger and the Direct Sales, and the corporate structure immediately following the consummation of the Merger and the Direct Sales.

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**The Separation and the Distribution**

*The Separation and the Direct Sales*

Prior to the Distribution and the Merger, Fortive will convey to Newco or one or more subsidiaries of Fortive certain assets and liabilities constituting a portion of the A&S Business, and will cause any applicable subsidiary of Fortive to convey to Fortive or its designated subsidiary (other than Newco or any of Newco's subsidiaries) certain excluded assets and excluded liabilities, in order to separate and consolidate a portion of the A&S Business. Immediately thereafter, Fortive will contribute all the equity interests in each such subsidiary of Fortive holding assets and liabilities constituting the A&S Business to Newco in exchange for (i) the issuance to Fortive of shares of Newco common stock, (ii) the Newco Securities and (iii) the Cash Dividend. In addition, prior to the Merger, certain non-U.S. assets, liabilities and entities constituting the remaining portion of the A&S Business will be transferred directly to Altra or one or more subsidiaries of Altra through the Direct Sales.

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**Table of Contents*****The Distribution Exchange Offer and Split-Off***

On the closing date of the Merger, Fortive will distribute 100% of the shares of Newco common stock to Fortive stockholders through a combination of this Exchange Offer followed by, in the event this Exchange Offer is not fully subscribed, a pro rata spin-off distribution. In this Exchange Offer, Fortive will offer its stockholders the option to exchange all or a portion of their shares of Fortive common stock for shares of Newco common stock. In the event this Exchange Offer is not fully subscribed, Fortive will distribute the remaining shares of Newco common stock owned by Fortive on a pro rata basis to Fortive stockholders whose shares of Fortive common stock remain outstanding after consummation of this Exchange Offer.

Any Fortive stockholder who validly tenders (and does not properly withdraw) shares of Fortive common stock for shares of Newco common stock in this Exchange Offer will waive their rights with respect to such shares to receive, and forfeit any rights to, shares of Newco common stock distributed on a pro rata basis to Fortive stockholders in the event this Exchange Offer is not fully subscribed. If there is a pro rata distribution, the Exchange Offer agent will calculate the exact number of shares of Newco common stock owned by Fortive that will not be exchanged in this Exchange Offer and to be distributed on a pro rata basis, and the number of shares of Altra common stock into which the remaining shares of Newco common stock will be converted in the Merger will be transferred to the relevant Fortive stockholders (after giving effect to the consummation of this Exchange Offer) as promptly as practicable thereafter.

The Exchange Offer agent will hold, for the account of the relevant Fortive stockholders, the book-entry authorizations representing all of the outstanding shares of Newco common stock pending the consummation of the Merger. Newco common stock will not be traded during this period. Following the consummation of this Exchange Offer and as part of the Merger, each share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into the right to receive fully paid and nonassessable shares of Altra common stock, as further described below under Calculation of the Merger Consideration. For additional information regarding this Exchange Offer, see The Exchange Offer.

**The Merger**

Under the Merger Agreement and in accordance with the DGCL, at the effective time of the Merger, Merger Sub will merge with and into Newco. As a result of the Merger, the separate corporate existence of Merger Sub will cease and Newco will continue as the surviving company and as a wholly-owned subsidiary of Altra and will succeed to and assume all the rights, powers and privileges and be subject to all of the obligations of Merger Sub in accordance with the DGCL. In the Merger, each share of Newco common stock will be converted into the right to receive shares of Altra common stock based on the exchange ratio set forth in the Merger Agreement, as described in the section of this document entitled The Merger Agreement Merger Consideration. The certificate of incorporation and the bylaws of Newco in effect immediately prior to the Merger will be amended and restated in their entirety following the consummation of the Merger.

***Calculation of the Merger Consideration***

The Merger Agreement provides that, at the effective time of the Merger, each issued and outstanding share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be automatically converted into a number of shares of Altra common stock equal to (x) 35 million shares of Altra common stock divided by (y) the aggregate number of shares of Newco common stock issued and outstanding immediately prior to



the effective time of the Merger. In addition, Newco will authorize the issuance of a number of shares of Newco common stock such that the total number of shares of Newco common stock

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outstanding immediately prior to the Distribution will be that number that results in the exchange ratio in the Merger equaling one. As a result, exchanging holders of Fortive common stock will be entitled to exchange their pro rata portion of such shares, and each share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into one share of Altra common stock in the Merger. The calculation of the merger consideration as set forth in the Merger Agreement is expected to result, prior to the elimination of fractional shares, in pre-Merger holders of shares of Newco common stock and Newco Employees collectively holding approximately 54% of the outstanding equity interests of Altra on a fully-diluted basis upon completion of the Transactions and Altra's equityholders immediately prior to the Merger collectively holding approximately 46% of such equity interests on a fully-diluted basis.

No fractional shares of Altra common stock will be issued pursuant to the Merger. Any holder of shares of Newco common stock who would otherwise be entitled to receive a fraction of a share of Altra common stock (after aggregating all fractional shares issuable to such holder) will, in lieu of such fraction of a share, be paid in cash the dollar amount (rounded to the nearest whole cent), after deducting any required withholding taxes, on a pro rata basis, without interest, determined by multiplying such fraction by the closing price of a share of Altra common stock on Nasdaq on the last business day prior to the date on which the Merger becomes effective.

## **Terms of this Exchange Offer**

Fortive is offering holders of shares of Fortive common stock the opportunity to exchange their shares for Newco common stock. You may tender all, some or none of your shares of Fortive common stock. This prospectus and related documents are being sent to persons who directly held shares of Fortive common stock on [redacted], 2018 and brokers, banks and similar persons whose names or the names of whose nominees appear on Fortive's stockholder list or, if applicable, who are listed as participants in a clearing agency's security position listing for subsequent transmittal to beneficial owners of Fortive's common stock.

Fortive common stock validly tendered and not properly withdrawn will be accepted for exchange at the exchange ratio determined as described under "The Exchange Offer" Terms of this Exchange Offer, on the terms and conditions of this Exchange Offer and subject to the limitations described below, including the proration provisions.

Fortive will promptly return any shares of Fortive common stock that are not accepted for exchange following the expiration of this Exchange Offer and the determination of the final proration factor, if any, described below. After the expiration of this Exchange Offer, shares accepted by Fortive may not be withdrawn; provided, however, that such shares may be withdrawn at any time after the expiration of 40 business days from the commencement of this Exchange Offer if this Exchange Offer has not then been consummated.

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For the purposes of illustration, the table below indicates the number of shares of Newco common stock that you would receive per share of Fortive common stock you validly tender, calculated on the basis described under "The Exchange Offer" Terms of this Exchange Offer and taking into account the upper limit, assuming a range of averages of the daily VWAP of Fortive common stock and Altra common stock on the Valuation Dates. The first row of the table below shows the indicative calculated per-share value of Fortive common stock, the indicative calculated per-share value of Newco common stock and the indicative exchange ratio that would have been in effect following the official close of trading on the NYSE and Nasdaq on \_\_\_\_\_, 2018 based on the daily VWAPs of Fortive common stock and Altra common stock on \_\_\_\_\_, 2018, \_\_\_\_\_, 2018, and \_\_\_\_\_, 2018. The table also shows the effects of a 10% increase or decrease in either or both the calculated per-share value of Fortive common stock and the calculated per-share value of Newco common stock based on changes relative to the values as of \_\_\_\_\_, 2018.

		<b>Shares of Newco common stock to be received per share of Fortive common stock tendered (the exchange ratio)</b>			<b>Calculated Value Ratio (1)</b>
<b>Fortive common stock</b>	<b>Altra common stock</b>	<b>Calculated per- share value of Fortive stock the (A)</b>	<b>Calculated per- share value of Newco common stock (before % discount) (B)</b>	<b>(C)</b>	
As of _____, 2018	As of _____, 2018				
Down 10%	Up 10%				
Down 10%	Unchanged				
Down 10%	Down 10%				
Unchanged	Up 10%				
Unchanged	Down 10%(2)(3)				
Up 10%	Up 10%				
Up 10%	Unchanged(2)(4)				
Up 10%	Down 10%(2)(5)				

- (1) The Calculated Value Ratio equals (i) the calculated per-share value of Newco common stock (B) multiplied by the exchange ratio (C), divided by (ii) the calculated per-share value of Fortive common stock (A), rounded to the nearest two decimals.
- (2) In this scenario, Fortive would announce that the upper limit on the number of shares of Newco common stock that can be received for each share of Fortive common stock tendered is in effect at the expiration of the Exchange Offer period no later than 9:00 a.m., New York City time, on the second to last full trading day prior to the expiration date, that the exchange ratio will be fixed at the upper limit.
- (3) In this scenario, the upper limit is in effect. Absent the upper limit, the exchange ratio would have been \_\_\_\_\_ shares of Newco common stock per share of Fortive common stock validly tendered and accepted in this Exchange Offer. In this scenario, tendering Fortive stockholders would receive less than \_\_\_\_\_

\$100 in value of Newco common stock for each \$100 in value of Fortive common stock.

- (4) In this scenario, the upper limit is in effect. Absent the upper limit, the exchange ratio would have been shares of Newco common stock per share of Fortive common stock validly tendered and accepted in this Exchange Offer.
- (5) In this scenario, the upper limit is in effect. Absent the upper limit, the exchange ratio would have been shares of Newco common stock per share of Fortive common stock validly tendered and accepted in this Exchange Offer. In this scenario, tendering Fortive stockholders would receive less than \$100 in value of Newco common stock for each \$100 in value of Fortive common stock.

During the three-month period of \_\_\_\_\_, 2018 through \_\_\_\_\_, 2018, the highest closing price of Fortive common stock on the NYSE was \$ \_\_\_\_\_ and the lowest closing price of Altra common stock on Nasdaq was \$ \_\_\_\_\_. If the calculated per-share value of Fortive common stock and the calculated per-share value of Newco common stock equaled these closing prices, you would receive only the limit of \_\_\_\_\_ shares of Newco common stock for each share of Fortive common stock tendered, and the value of such Newco common

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stock, based on the Altra common stock price, would have been approximately \$ \_\_\_\_\_ of Newco common stock for each \$100 of Fortive common stock accepted for exchange.

***Extension; Termination***

This Exchange Offer, and your withdrawal rights, will expire at 8:00 a.m., New York City time, on \_\_\_\_\_, 2018, unless this Exchange Offer is extended or terminated. You must tender your shares of Fortive common stock prior to this time if you want to participate in this Exchange Offer. Fortive may extend, terminate or amend this Exchange Offer as described in this prospectus.

Fortive will issue a press release or other public announcement no later than 9:00 a.m., New York City time, on the next business day following any extension, amendment, non-acceptance or termination of the previously scheduled expiration date.

***Conditions to Consummation of this Exchange Offer***

Fortive's obligation to exchange shares of Newco common stock for shares of Fortive common stock is subject to the conditions listed under "The Exchange Offer Conditions to Consummation of this Exchange Offer," including the satisfaction of conditions to the Transactions and other conditions. These conditions include:

the absence of a market disruption event (as defined herein);

the approval by Altra's stockholders of the Share Issuance;

the registration statements on Forms S-4 and S-1 of which this prospectus is a part have become effective under the Securities Act;

the receipt by Fortive of an IRS ruling addressing the tax consequences of certain aspects of the Debt Exchange (unless Fortive has not obtained such IRS ruling by December 31, 2018, or takes certain actions relating to the financing transactions, in which case the condition will be deemed waived);

the receipt by Fortive and Newco of the Distribution Tax Opinion and a Merger Tax Opinion from Fortive's tax counsel, dated as of the closing date of the Merger;

the receipt by Altra and Merger Sub of a Merger Tax Opinion from Altra's tax counsel, dated as of the closing date of the Merger;

the completion of various transaction steps;

the satisfaction or waiver of the minimum amount condition (as defined below);

each condition precedent to the consummation of the Transactions (other than this Exchange Offer) pursuant to the Merger Agreement has been fulfilled or waived (except for the conditions precedent that will be fulfilled at the time of the consummation of the Transactions) and the absence of any reason the Transactions (other than this Exchange Offer) cannot be consummated promptly after consummation of this Exchange Offer (see The Merger Agreement Conditions to the Merger ); and

other customary conditions.

For a description of the material conditions precedent to the Transactions, see The Merger Agreement Conditions to the Merger.

Fortive may waive any of the conditions to this Exchange Offer prior to the expiration of this Exchange Offer. Newco has no right to waive any of the conditions to this Exchange Offer. Altra has no right to waive any of the conditions to this Exchange Offer (other than certain conditions relating to the other transactions).

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***Proration; Tenders for Exchange by Holders of Fewer than 100 Shares of Fortive Common Stock***

If, upon the expiration of this Exchange Offer, Fortive stockholders have validly tendered more shares of Fortive common stock than Fortive is able to accept for exchange (taking into account the exchange ratio and the total number of shares of Newco common stock being exchanged by Fortive in this Exchange Offer), Fortive will accept for exchange the shares of Fortive common stock validly tendered and not properly withdrawn by each tendering stockholder on a pro rata basis, based on the proportion that the total number of shares of Fortive common stock to be accepted bears to the total number of shares of Fortive common stock validly tendered and not properly withdrawn (rounded to the nearest whole number of shares of Fortive common stock, and subject to any adjustment necessary to ensure the exchange of all shares of Newco common stock being owned by Fortive), except for tenders of odd-lots, as described below.

Fortive will announce the preliminary proration factor for this Exchange Offer at <http://investors.fortive.com/altra> and separately by press release promptly after the expiration of this Exchange Offer. Upon determining the number of shares of Fortive common stock validly tendered for exchange and not properly withdrawn, Fortive will announce the final results of this Exchange Offer, including the final proration factor for this Exchange Offer.

Beneficial holders (other than participants in the Fortive Stock Fund through either of the Fortive Savings Plans) of less than 100 shares of Fortive common stock who validly tender all of their shares may elect not to be subject to proration by completing the section in the applicable letter of transmittal entitled *Odd-Lot Shares*. If your odd-lot shares are held by a broker for your account, you can contact the broker and request this preferential treatment. All of your odd-lot shares will be accepted for exchange without proration if Fortive completes this Exchange Offer.

***Fractional Shares***

In the Merger, no fractional shares of Altra common stock will be delivered to holders of shares of Newco common stock. Instead, holders of shares of Newco common stock who would otherwise be entitled to receive a fractional share of Altra common stock will receive in cash the dollar amount (rounded to the nearest whole cent) determined by multiplying such fraction by the closing price of Altra common stock on Nasdaq on the last business day prior to the effective time of the Merger. The amount received by such holders of shares of Newco common stock will be net of any required withholding taxes.

***Procedures for Tendering***

For you to validly tender your shares of Fortive common stock pursuant to this Exchange Offer, prior to the expiration of this Exchange Offer:

If you hold certificates representing shares of Fortive common stock, or if your shares of Fortive common stock are held in book-entry via the DRS, you must deliver to the Exchange Offer agent a properly completed and duly executed letter of transmittal, along with any required signature guarantees and any other required documents. If you hold certificates representing shares of Fortive common stock, you must also deliver to the Exchange Offer agent the certificates representing the shares of Fortive common stock tendered. Since certificates are not issued for DRS shares, you do not need to deliver any certificates representing those shares to the Exchange Offer agent.

If you hold shares of Fortive common stock through a broker, you should receive instructions from your broker on how to participate in this Exchange Offer. In this situation, do not complete a letter of transmittal to tender your Fortive common stock. Please contact your broker directly if you have not yet received instructions. Some financial institutions may also effect tenders by book-entry transfer through The Depository Trust Company.



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If you participate in the Fortive Stock Fund through either of the Fortive Savings Plans, you will receive instructions from Fidelity via letter or email informing you how to make an election and the deadline for making an election. In this situation, do not complete a letter of transmittal to tender your shares of Fortive common stock.

### ***Delivery of Newco Common Stock***

Upon the consummation of this Exchange Offer, Fortive will deliver to the Exchange Offer agent, and the Exchange Offer agent will hold, for the account of the relevant Fortive stockholders, a book-entry authorization representing (a) all of the shares of Newco common stock being exchanged in this Exchange Offer, with irrevocable instructions to hold the shares of Newco common stock as agent for the holders of shares of Fortive common stock validly tendered and not properly withdrawn in this Exchange Offer and, (b) in the case of a pro rata distribution, if any, the shares of Newco common stock being distributed to Fortive stockholders whose shares of Fortive common stock remain outstanding after the consummation of this Exchange Offer. Prior to the effective time of the Merger, Altra will deposit with the merger exchange agent for the benefit of persons who received shares of Newco common stock in this Exchange Offer evidence in book-entry form representing the shares of Altra common stock issuable in the Merger. Shares of Altra common stock will be delivered immediately following the consummation of this Exchange Offer, the acceptance of Fortive common stock for exchange, and the effectiveness of the Merger, pursuant to the procedures determined by the Exchange Offer agent and the merger exchange agent. See *The Exchange Offer Terms of this Exchange Offer Exchange of Shares of Fortive Common Stock*.

### ***Withdrawal Rights***

Shares of Fortive common stock validly tendered pursuant to this Exchange Offer may be withdrawn at any time before 8:00 a.m., New York City time, on the expiration date by following the procedures described herein. If you change your mind again, you may re-tender your Fortive common stock by again following this Exchange Offer procedures prior to the expiration of this Exchange Offer.

### ***No Appraisal Rights***

No appraisal rights are available to holders of Fortive common stock in connection with this Exchange Offer or any pro rata spin-off distribution (in the event this Exchange Offer is not fully subscribed) of shares of Newco common stock.

### ***Distribution of Newco Common Stock Remaining After this Exchange Offer***

In the event this Exchange Offer is not fully subscribed, all shares of Newco common stock owned by Fortive that are not exchanged in this Exchange Offer will be distributed as a pro rata spin-off distribution to holders of Fortive common stock whose shares of Fortive common stock remain outstanding after the consummation of this Exchange Offer. The record date for the pro rata distribution, if any, will be announced by Fortive. Any Fortive stockholder who validly tenders (and does not properly withdraw) shares of Fortive common stock for shares of Newco common stock will waive their rights with respect to such shares to receive, and forfeit any rights to, shares of Newco common stock distributed on a pro rata basis to Fortive stockholders in the event this Exchange Offer is not fully subscribed.

If this Exchange Offer is consummated, the Exchange Offer agent will calculate the exact number of shares of Newco common stock not exchanged in this Exchange Offer to be distributed on a pro rata basis, and that number of shares of Newco common stock will be held as agent for holders of Fortive common stock entitled thereto.



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If this Exchange Offer is terminated by Fortive without the exchange of shares, but the conditions to consummation of the Transactions have otherwise been satisfied, Fortive intends to distribute all shares of Newco common stock owned by Fortive on a pro rata basis to holders of Fortive common stock, with a record date to be announced by Fortive.

### ***Legal Limitations; Certain Matters Relating to Non-U.S. Jurisdictions***

This prospectus is not an offer to buy, sell or exchange and it is not a solicitation of an offer to buy or sell any shares of Newco common stock, shares of Fortive common stock or shares of Altra common stock in any jurisdiction in which the offer, sale or exchange is not permitted. After the consummation of this Exchange Offer and prior to the Merger, it will not be possible to trade the Newco common stock. Countries outside the United States generally have their own legal requirements that govern securities offerings made to persons resident in those countries and often impose stringent requirements about the form and content of offers made to the general public. None of Fortive, Altra or Newco has taken any action under non-U.S. regulations to facilitate a public offer to exchange the shares of Fortive common stock, Altra common stock or Newco common stock outside the United States. Accordingly, the ability of any non-U.S. person to tender shares of Fortive common stock in this Exchange Offer will depend on whether there is an exemption available under the laws of such person's home country that would permit the person to participate in this Exchange Offer without the need for Fortive, Altra or Newco to take any action to facilitate a public offering in that country or otherwise. For example, some countries exempt transactions from the rules governing public offerings if they involve persons who meet certain eligibility requirements relating to their status as sophisticated or professional investors.

Non-U.S. stockholders should consult their advisors in considering whether they may participate in this Exchange Offer in accordance with the laws of their home countries and, if they do participate, whether there are any restrictions or limitations on transactions in the shares of Fortive common stock, Altra common stock or Newco common stock that may apply in their home countries. None of Fortive, Altra or Newco can provide any assurance about whether such limitations may exist. See *The Exchange Offer Certain Matters Relating to Non-U.S. Jurisdictions* for additional information about limitations on this Exchange Offer outside the United States.

### ***Risk Factors***

In deciding whether to tender your shares of Fortive common stock in this Exchange Offer, you should carefully consider the matters described in the section *Risk Factors*, as well as other information included in this prospectus and the other documents to which you have been referred.

### **Debt Financing**

In connection with the Transactions, Altra and Newco expect to engage in the following financing activities:

the entry (a) by Altra into a new senior secured term loan B credit facility in an aggregate principal amount of up to \$1,340,000,000 (the *Altra Term Loan B Facility*), the proceeds of which will be used, together with cash on hand of Altra or its subsidiaries (if necessary), to, among other things, (i) consummate the Direct Sales, (ii) repay in full and extinguish all outstanding indebtedness for borrowed money under Altra's existing revolving credit facility under the Second Amended and Restated Credit Agreement, dated as of October 22, 2015, among Altra and certain of its subsidiaries, as borrowers, JPMorgan Chase Bank, N.A., as administrative agent and the lenders, other agents and other parties party thereto from time to time (as amended, amended and restated, supplemented or otherwise modified through the date hereof) and (iii) pay

certain fees, costs and expenses in connection with the consummation of the Transactions and (b) by Altra (and at Altra's option, Altra Industrial

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Motion Netherlands B.V. and any other wholly-owned direct and indirect subsidiaries of Altra to be agreed, collectively with Altra, the Altra Co-Borrowers ) into a new senior secured revolving credit facility in an aggregate principal amount of up to \$300,000,000 (the Altra Revolving Credit Facility and, together with the Altra Term Loan B Facility, the Altra Facilities ).

Newco expects, on or prior to the Distribution Date, to (1) issue senior unsecured notes ( Notes ) in a Rule 144A or other private placement (A) in an aggregate principal amount equal to the Basis Amount which will be used to pay the Cash Dividend and (B) if Fortive determines that the Debt Exchange is not reasonably likely to be consummated in an amount equal to the Above-Basis Amount at the time of the Distribution and elects to receive cash from Newco in lieu of the Newco Securities, in an aggregate principal amount equal to the Above-Basis Amount and (2) issue to Fortive the Newco Securities, which will in turn be exchanged by Fortive with the Debt Exchange Parties pursuant to the Debt Exchange (unless, Fortive determines that the Debt Exchange is not reasonably likely to be consummated in an amount equal to the Above-Basis Amount at the time of the Distribution and elects to receive cash from Newco in lieu of the Newco Securities). All of the Notes and the Newco Securities are expected to have a term of at least seven years and to be subject to customary covenants and other terms and conditions that are consistent in all material respects with market practice for comparable issuers. The Newco Securities and the Notes are expected to be guaranteed by Altra after consummation of the Merger. Pursuant to the Newco Commitment Letter, the Newco Commitment Parties have committed to provide Newco with a \$400 million senior unsecured bridge facility that may be borrowed by Newco in lieu of issuing the Notes and the Newco Securities.

**Board of Directors and Management of Altra Following the Transactions**

Directors of Altra serving on its board of directors immediately before the effective time of the Merger are expected to continue to serve as directors of Altra immediately following the closing of the Merger. In addition, as of immediately following the effective time of the Merger, Altra will increase the size of its board of directors by one member, and one individual selected by Fortive (which individual is currently anticipated by Altra and Fortive to be Patrick K. Murphy, Fortive's Senior Vice President) will be appointed to fill the vacancy and will, subject to the fiduciary duties of Altra's board of directors, be nominated for re-election at the expiration of such director's initial term. However, if Fortive's designated director: (i) is unwilling or unable to serve at the effective time of the Merger, (ii) is unwilling or unable to serve when such new term starts or (iii) is not nominated to serve such new term, then Fortive will designate a replacement, acceptable to Altra in its sole discretion, for such director before the effective time of the Merger or the start of such new term, as applicable.

It is expected that Altra's current management team will remain intact for the combined business, but may be expanded to include new management team members from the A&S Business. The executive officers of Altra immediately prior to the closing of the Merger are expected to remain executive officers of Altra immediately following the closing of the Merger. The Merger Agreement provides that Altra and Newco will take all necessary action to appoint certain specified individuals to management and/or executive officer positions at Newco as of the effective time of the Merger.

**Interests of Certain Persons in the Transactions**

As of April 9, 2018, Fortive's directors and executive officers beneficially owned approximately 12.2% of the outstanding shares of Fortive's common stock. None of Newco's executive officers will receive any severance or other additional compensation as a result of the Transactions. The directors and executive officers of Fortive and Newco will receive no extra or special benefit that is not shared on a pro rata basis by all other Newco stockholders and Altra stockholders in connection with the Transactions except as described herein. As with all holders of shares of Fortive

common stock, if a director or officer of Fortive or Newco owns shares of

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Fortive common stock, directly or indirectly, such person may participate in this Exchange Offer on the same terms as other holders of shares of Fortive common stock.

As of August 3, 2018, Altra's directors and executive officers beneficially owned approximately 2.5% of the outstanding shares of Altra common stock. None of Altra's non-employee directors will receive additional compensation as a result of the Transactions. Although the closing date of the Merger will result in a change in control of Altra for purposes of certain compensation and benefits plans (since pre-Merger holders of shares of Newco common stock and Newco Employees will hold approximately 54% of Altra's common stock on a fully-diluted basis immediately following the Merger), no payments or benefits become due upon the closing date of the Merger. Instead, Altra's executive officers will have rights to receive potential enhanced severance payments and potential acceleration of equity awards held under the Altra Equity Plan only in the event of a qualifying termination of employment within the first 24 months following the closing date of the Merger or, in the case of potential enhanced severance payments, of certain terminations in anticipation of the Merger. Upon the consummation of the Merger, performance goals for Altra performance shares will be deemed satisfied based on actual performance as of the last completed quarter prior to the closing date of the Merger. Such performance shares will convert into restricted stock unit awards, which will only be subject to service-based vesting. Otherwise, the directors and executive officers of Altra will receive no extra or special benefit that is not shared on a pro rata basis by all other Newco common stock and Altra stockholders in connection with the Transactions. As with all holders of shares of Fortive common stock, if a director or officer of Altra owns shares of Fortive common stock, directly or indirectly, such person may participate in this Exchange Offer on the same terms as other holders of shares of Fortive common stock.

## **Altra's Stockholders Meeting**

Under the terms of the Merger Agreement, Altra is required to call a meeting of its stockholders for the purpose of voting upon the issuance of shares of Altra's common stock in the Merger and related matters as promptly as practicable following the date on which the SEC has cleared Altra's proxy statement and, if required by the SEC as a condition to the mailing of Altra's proxy statement, the registration statement of Altra has been declared effective. Altra will ask its stockholders to vote on this matter at the special meeting of Altra stockholders by delivering Altra's proxy statement to its stockholders in accordance with applicable law and its organizational documents.

As of August 3, 2018, Altra's directors and executive officers held approximately 2.5% of the shares entitled to vote at Altra's special meeting of the stockholders. As of August 3, 2018, Newco's directors, executive officers and their affiliates did not hold shares entitled to vote at Altra's special meeting of the stockholders. Newco's stockholders are not required to vote on any of the proposals, and Newco will not hold a special meeting of stockholders in connection with the Transactions.

## **Accounting Treatment and Considerations**

ASC 805, Business Combinations, requires the use of the acquisition method of accounting for business combinations. In applying the acquisition method, it is necessary to identify the accounting acquiror. In a business combination effected through an exchange of equity interests, such as the Merger, the entity that issues its equity interests (Altra in this case) is generally the acquiring entity. In identifying the acquiring entity in a combination effected through an exchange of equity interests, however, all pertinent facts and circumstances must be considered, including but not limited to the following:

The relative voting interests of significant stockholders and the ability of any of those stockholders to exercise control, over the consolidated entity after the Transactions. In this case, it was determined that the stockholders bases of both entities are dispersed such that no single stockholder or group of related



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stockholders would control the entity after the Transactions. It was also determined that although Fortive stockholders will own a 54% interest in Altra after the Transaction, no contemporaneous written evidence of an agreement to vote a majority of Altra's interest in concert exists.

The composition of the governing body of Altra after the Transactions. In this case, the board of directors of Altra immediately following the Merger is expected to consist of the members of the board of directors of Altra immediately prior to the consummation of the Merger. In addition, as of the consummation of the Merger, Altra will increase the size of its board of directors by one member, and one individual selected by Fortive (which individual is currently anticipated by Altra and Fortive to be Patrick K. Murphy, Fortive's Senior Vice President) will be appointed to fill the vacancy and will, subject to the fiduciary duties of Altra's board of directors, be nominated for re-election at the expiration of such director's initial term.

The composition of the senior management of Altra after the Transactions. In this case, it is expected that Altra's current management team will remain intact for the combined business, but may be expanded to include new management team members from the A&S Business. The executive officers of Altra immediately prior to the closing of the Merger are expected to remain the executive officers of Altra immediately following the closing of the Merger.

Altra's management has determined that Altra will be the accounting acquiror in the Merger based on the facts and circumstances outlined above and the detailed analysis of the relevant GAAP guidance. Consequently, Altra will apply acquisition accounting to the assets acquired and liabilities assumed of Newco upon consummation of the Merger. Upon consummation of the Merger, the historical financial statements will reflect only the operations and financial condition of Altra.

**U.S. Federal Income Tax Consequences of the Transactions**

The completion of the Newco Contribution and the Distribution is conditioned upon the receipt by Fortive of the Distribution Tax Opinion to the effect that (among other things), for U.S. federal income tax purposes, the Newco Contribution, taken together with the Distribution, will qualify as a reorganization under Sections 368(a), 361 and 355 of the Code. Provided that the Newco Contribution and the Distribution so qualify, Fortive's stockholders will not recognize any taxable income, gain or loss as a result of the Distribution for U.S. federal income tax purposes.

In addition, the completion of the Merger is conditioned upon the receipt by Fortive and Altra of Merger Tax Opinions to the effect that, for U.S. federal income tax purposes, the Merger will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code. Provided that the Merger so qualifies, Fortive and its stockholders will not recognize any taxable income, gain or loss as a result of the Merger for U.S. federal income tax purposes (except for any gain or loss attributable to the receipt of cash in lieu of fractional shares of Altra common stock).

Fortive also intends to seek a ruling from the IRS regarding certain issues relevant to the qualification of the Distribution and certain other aspects of the Transactions for tax-free treatment for U.S. federal income tax purposes.

Please see **Risk Factors** **Risks Related to the Transactions** **The Distribution could result in significant tax liability, and Altra may be obligated to indemnify Fortive for any such tax liability imposed on Fortive,** **Risk Factors** **Risks Related to the Transactions** **If the Merger does not qualify as a tax-free reorganization under Section 368 of the Code, the stockholders of Fortive may have significant tax liability,** and **U.S. Federal Income Tax Consequences of the Transactions** for more information regarding the IRS Ruling, the Distribution Tax Opinion, the Merger Tax Opinions and the potential tax consequences of the Transactions. Holders of Fortive common stock should consult their tax

advisor as to the particular tax consequences of the Transactions.

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**Regulatory Approvals**

Under the HSR Act, and the rules and regulations promulgated thereunder by the U.S. Federal Trade Commission (the FTC ), the merger cannot be consummated unless certain information has been furnished to the FTC and the Antitrust Division of the U.S. Department of Justice (the Antitrust Division ), and specified waiting period requirements have been satisfied. This transaction is subject to such requirements. Each of Fortive and Altra filed a Pre-Merger Notification and Report Form pursuant to the HSR Act with the Antitrust Division and the FTC on March 20, 2018 and March 22, 2018, respectively. The waiting period under the HSR Act expired at 11:59 p.m. (Eastern Time in the United States) on April 23, 2018.

Under the Chinese Anti-Monopoly Law of 2008, transactions involving parties with sales above certain revenue levels cannot be completed until they are reviewed and approved by the Ministry of Commerce of the People's Republic of China ( MOFCOM ). Fortive and Altra have sufficient revenues in China to exceed the statutory thresholds, and completion of the merger is therefore conditioned upon MOFCOM approval. Fortive and Altra filed the required materials with MOFCOM on April 23, 2018. Altra and Fortive received written clearance for the Transactions from MOFCOM on May 28, 2018.

Under the German Act against Restraints of Competition, transactions involving parties with sales above certain revenue levels cannot be completed until they are reviewed and approved by the Federal Cartel Office of the Federal Republic of Germany ( FCO ). Fortive and Altra have sufficient revenues in Germany to exceed the statutory thresholds, and completion of the merger is therefore conditioned upon FCO approval. Fortive and Altra filed the required materials with FCO on April 23, 2018. Altra and Fortive received written clearance for the Transactions from the FCO on May 22, 2018.

For more information on regulatory approvals, see "The Transactions Regulatory Approvals" beginning on page 198.

**Table of Contents****SUMMARY HISTORICAL AND PRO FORMA FINANCIAL DATA**

The following summary combined financial data of the A&S Business and summary consolidated financial data of Fortive and Altra are being provided to help you in your analysis of the financial aspects of the Transactions. You should read this information in conjunction with the financial information included elsewhere and incorporated by reference into this document. See [Where You Can Find More Information](#); [Incorporation by Reference](#), [Management's Discussion and Analysis of Financial Condition and Results of Operations for the A&S Business](#), [Information on the A&S Business](#), [Information on Fortive](#), [Information on Altra](#), and [Selected Financial Statement Data](#).

**Summary Historical Combined Financial Data of the A&S Business**

The summary historical combined financial data of the A&S Business for the years ended December 31, 2017, December 31, 2016 and December 31, 2015, and as of December 31, 2017 and December 31, 2016, as set forth below, have been derived from the audited annual combined financial statements of the A&S Business, which are included in the [Index to Financial Statements](#) section of this prospectus. The summary historical combined condensed financial data for the six months ended June 29, 2018 and June 30, 2017 and as of June 29, 2018, as set forth below, have been derived from the interim unaudited combined condensed financial statements of the A&S Business, which are included in the [Index to the Financial Statements](#) section of this prospectus. The unaudited summary historical combined financial data as of June 30, 2017 and December 31, 2015, and as of and for the years ended December 31, 2014 and December 31, 2013, have been derived from the unaudited annual combined financial statements of the A&S Business not included or incorporated by reference in this prospectus. This information is only a summary and the table below should be read in conjunction with [Management's Discussion and Analysis of Financial Condition and Results of Operations for the A&S Business](#) and the annual and quarterly combined financial statements of the A&S Business and the notes thereto included elsewhere in this prospectus.

(\$ in millions)	As of and for the Six Months Ended		As of and for the Year Ended December 31				
	June 29, 2018	June 30, 2017	2017	2016	2015	2014 <sup>(a)</sup>	2013 <sup>(a)</sup>
<b>Selected Statement of Earnings Information:</b>	(unaudited)	(unaudited)				(unaudited)	(unaudited)
Sales	\$ 506.8	\$ 449.8	\$ 907.3	\$ 852.6	\$ 874.1	\$ 960.9	\$ 959.0
Operating profit	117.5	95.8	193.2	166.7	165.4	215.5	179.8
Net earnings	95.0	72.7	151.7	121.2	110.1	149.1	132.7
<b>Selected Balance Sheet Information:</b>	(unaudited)	(unaudited)			(unaudited)	(unaudited)	(unaudited)
Total assets	\$ 891.3	\$ 868.1	\$ 872.0	\$ 836.4	\$ 832.1	\$ 850.8	\$ 933.0

<sup>(a)</sup> In August 2014, the A&S Business completed the divestiture of its electric vehicle systems (EVS)/hybrid product line for a sale price of approximately \$87 million in cash. This product line contributed sales, operating profit and net earnings of approximately \$59.5 million, \$10.5 million and \$7.3 million, respectively, in 2014 prior to the divestiture. This product line contributed sales, operating profit and net earnings of approximately \$106.5 million, \$10.5 million and \$7.8 million, respectively, in 2013. The Business recorded a pre-tax gain on the sale of the product line of approximately \$34 million (\$26 million after-tax). As of December 31, 2013, this product line had

assets of approximately \$66 million. Subsequent to the August 2014 sale, the A&S Business had no continuing involvement in the EVS/hybrid product line. The divestiture of the EVS/hybrid product line was not classified as a discontinued operation in these financial statements because the disposition does not represent a strategic shift that had a major effect on the A&S Business's operations and financial statements.

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**Summary Historical Consolidated and Combined Financial Data of Fortive**

The following summary historical consolidated and combined financial data of Fortive and Fortive's businesses, which comprise certain operating units that, prior to the Danaher Separation on July 2, 2016, were included in Danaher's Test & Measurement segment, Industrial Technologies segment (other than its Product Identification platform) and Retail/Commercial Petroleum platform (collectively, the Fortive Businesses), as of and for the periods indicated. Operating results for any prior period are not necessarily indicative of results to be expected in any future period.

The following summary historical consolidated condensed financial data of Fortive for the six months ended June 29, 2018 and June 30, 2017, and as of such dates, have been derived from Fortive's historical unaudited consolidated condensed financial statements as of and for the six months ended June 29, 2018 and June 30, 2017. Fortive derived the consolidated and combined statements of earnings data for the years ended December 31, 2017, 2016, 2015 and 2014 from Fortive's historical audited consolidated and combined financial statements. Fortive derived the combined statements of earnings data for the years ended December 31, 2013 from the historical audited combined financial statements of the Fortive Businesses. The earnings data for the year ended December 31, 2016 consist of Fortive's consolidated results for the six months ended December 31, 2016 and the combined results of the Fortive Businesses for the six months ended July 1, 2016. The earnings data for the years ended December 31, 2015, 2014 and 2013 consist of the combined results of the Fortive Businesses.

Fortive derived the consolidated and combined balance sheet data as of December 31, 2017, 2016 and 2015 from Fortive's historical audited consolidated and combined balance sheets. Fortive derived the combined balance sheet data as of December 31, 2014 and 2013 from the audited combined financial statements of the Fortive Businesses. The balance sheet data consist of Fortive consolidated balances as of December 31, 2017 and 2016, the combined balances of Fortive and the Fortive Businesses as of December 31, 2015 and the combined balances of the Fortive Businesses as of December 31, 2014 and 2013.

Through the date of the Danaher Separation, all revenues and costs as well as assets and liabilities directly associated with the Fortive Businesses have been included in the combined financial statements. Prior to such separation from Danaher, the combined financial statements also included allocations of certain general, administrative, sales and marketing expenses and cost of sales from Danaher's corporate office and from other Danaher businesses to the Fortive Businesses and allocations of related assets, liabilities, and Danaher's investment, as applicable. The allocations were determined on a reasonable basis; however, the amounts are not necessarily representative of the amounts that would have been reflected in the financial statements had Fortive been an entity that operated independently of Danaher during the applicable periods. Following the separation from Danaher, the consolidated financial statements include the accounts of Fortive and its wholly-owned subsidiaries and no longer include any allocations from Danaher. The summary financial data set forth below may not be indicative of Fortive's results had it been a separate stand-alone entity throughout the periods presented.

The summary financial data set forth below should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations section contained in Fortive's Annual Report on Form 10-K for the year ended December 31, 2017, which is incorporated by reference into this prospectus. See [Where You Can Find More Information; Incorporation by Reference](#).



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(in millions, except per share and ratio data)

	As of and for the Six Months Ended		As of and for the Year Ended December 31				
	June 29, 2018 (unaudited)	June 30, 2017 (unaudited)	2017	2016	2015	2014	2013
Sales	\$ 3,596.7	\$ 3,164.0	\$ 6,656.0	\$ 6,224.3	\$ 6,178.8	\$ 6,337.2	\$ 5,961.9
Gross profit	1,809.7	1,549.1	3,298.5	3,032.8	3,000.0	3,049.2	2,864.0
Operating profit	720.6	644.7	1,354.9	1,246.0	1,269.7	1,245.3	1,143.2
Earnings before income taxes	668.9	597.9	1,284.2	1,197.0	1,269.7	1,279.2	1,143.2
Net earnings	556.2	439.8	1,044.5	872.3	863.8	883.4	830.9
Net earnings per common share:							
Basic	1.59	1.27	3.01	2.52	2.50	2.56	2.41
Diluted	1.57	1.25	2.96	2.51	2.50	2.56	2.41
Dividends declared and paid per share	0.14	0.14	0.28	0.14			
Current assets	4,503.4	2,701.7	2,936.8	2,488.7	1,594.1	1,683.4	1,655.0
Noncurrent assets	7,482.7	5,765.4	7,563.8	5,701.1	5,616.5	5,672.2	5,585.1
Total assets	11,986.1	8,467.1	10,500.6	8,189.8	7,210.6	7,355.6	7,240.1
Current liabilities	2,298.7	1,370.8	1,602.3	1,466.5	1,323.5	1,285.0	1,276.9
Long-term liabilities (excluding long-term debt)	1,118.1	715.2	1,033.9	674.3	704.6	838.1	838.1
Total long-term debt	2,927.4	3,208.1	4,056.2	3,358.0			
Noncontrolling interests	\$ 17.3	\$ 3.5	\$ 17.9	\$ 3.1	\$ 3.0	\$ 3.2	\$ 1.7
Ratio of earnings to fixed charges <sup>(1)</sup>	14.0	13.7	14.2	23.8	353.7	413.6	347.4

- (1) The ratios of earnings to fixed charges were computed by dividing earnings by fixed charges for the periods indicated, where (1) earnings consist of earnings before income taxes plus fixed charges, and (2) fixed charges consist of (A) interest, whether expensed or capitalized, on all indebtedness, (B) amortization of premiums, discounts and capitalized expenses related to indebtedness, and (C) an interest component representing the estimated portion of rental expense that management believes is attributable to interest. Interest on unrecognized tax benefits is included in the tax provision and is excluded from the computation of fixed charges.

**As of and  
for the Six  
Months  
Ended  
June 29,  
2018  
(unaudited)**

**Other Financial Data:**



Book value per common share

\$ 16.17

**Table of Contents****Summary Historical Consolidated Financial Data of Altra**

The following summary historical consolidated financial data of Altra for the six months ended June 30, 2018 and June 30, 2017, and as of such dates, have been derived from Altra's historical unaudited consolidated and combined financial statements as of and for the six months ended June 30, 2018 and June 30, 2017. The following summary historical consolidated financial data of Altra for the years ended December 31, 2017, 2016, 2015, 2014 and 2013, and as of such dates, have been derived from Altra's historical audited consolidated and combined financial statements as of and for the years ended December 31, 2017, 2016, 2015, 2014 and 2013. This information is only a summary and should be read in conjunction with the financial statements of Altra and the notes thereto and the Management's Discussion and Analysis of Financial Condition and Results of Operations section contained in Altra's Annual Report on Form 10-K for the year ended December 31, 2017, which is incorporated by reference into this prospectus. See "Where You Can Find More Information; Incorporation by Reference."

(in millions, except per share data)

	<b>Six Months Ended June 30</b>		<b>Year Ended December 31,</b>				
	<b>2018</b>	<b>2017</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Results of Operations:</b>							
Net sales	\$ 477.7	\$ 438.8	\$ 876.7	\$ 708.9	\$ 746.7	\$ 819.8	\$ 722.2
Cost of sales	325.2	300.5	601.0	486.8	518.2	570.9	506.8
Gross profit	152.5	138.3	275.7	222.1	228.5	248.9	215.4
Operating expenses:							
Selling, general and administrative expenses	90.6	82.0	164.5	140.5	139.3	156.5	130.2
Research and development expenses	12.7	12.4	24.4	17.7	17.8	15.5	12.5
Impairment of Intangible assets				6.6			
Restructuring costs and other	1.5	3.1	5.8	9.8	7.2	1.8	1.1
	104.8	97.5	194.7	174.6	164.3	173.8	143.8
Income from operations	47.7	40.8	81.0	47.5	64.2	75.1	71.6
Other non-operating income and expense:							
Loss on partial settlement of pension plan	5.1						
Interest expense, net	3.9	3.7	7.7	11.7	12.2	12.0	10.6
Loss on extinguishment of convertible debt		1.8	1.8	2.0			
Other non-operating expense (income), net	(0.5)	(0.6)	0.4		0.9		1.7
	8.5	4.9	9.9	13.7	13.1	12.0	12.3
Income before income taxes	39.2	35.9	71.1	33.8	51.1	63.1	59.3
Provision for income taxes	11.2	10.2	19.7	8.7	15.8	22.9	19.1
Net income	28.0	25.7	51.4	25.1	35.3	40.2	40.2
Net loss (income) attributable to non-controlling interest					0.1		0.1

Net income attributable to Altra Industrial Motion Corp.	\$ 28.0	\$ 25.7	\$ 51.4	\$ 25.1	\$ 35.4	\$ 40.2	\$ 40.3
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	Six Months Ended June 30		Year Ended December 31,				
	2018	2017	2017	2016	2015	2014	2013
<b>Other Financial Data:</b>							
Depreciation and amortization	\$ 18.7	\$ 17.6	\$ 36.0	\$ 29.9	\$ 30.1	\$ 32.1	\$ 27.9
Purchases of fixed assets	(14.9)	(14.4)	(32.8)	(18.9)	(22.9)	(28.1)	(27.8)
Cash flow provided by (used in):							
Operating activities	29.1	26.0	80.6	76.6	86.8	84.5	89.6
Investing activities	(17.6)	(11.5)	(26.7)	(206.9)	(21.7)	(42.3)	(130.0)
Financing activities	(25.5)	(29.2)	(74.0)	149.8	(55.8)	(54.0)	18.0
Weighted average shares, basic	29.1	28.9	28.9	25.7	26.1	26.7	26.8
Weighted average shares, diluted	29.2	29.1	29.1	25.9	26.1	27.4	26.8
Basic Earnings per share:							
Net income attributable to Altra Industrial Motion Corp.	\$ 0.96	\$ 0.89	\$ 1.78	\$ 0.97	\$ 1.36	\$ 1.50	\$ 1.50
Diluted earnings per share:							
Net income attributable to Altra Industrial Motion Corp.	\$ 0.96	\$ 0.89	\$ 1.77	\$ 0.97	\$ 1.36	\$ 1.47	\$ 1.50
Cash dividend declared	\$ 0.34	\$ 0.32	\$ 0.66	\$ 0.60	\$ 0.57	\$ 0.46	\$ 0.38
<b>Balance Sheet Data:</b>							
Cash and cash equivalents	\$ 38.1	\$ 59.0	\$ 52.0	\$ 69.1	\$ 50.3	\$ 47.5	\$ 63.6
Total assets	906.5	911.1	920.7	869.8	632.3	676.4	727.4
Total debt, net of unaccreted discount	261.4	308.4	276.0	369.7	234.8	255.8	278.3
Long-term liabilities, excluding long-term debt	\$ 94.7	\$ 101.9	\$ 105.9	\$ 88.9	\$ 53.8	\$ 56.7	\$ 55.7

**Summary Unaudited Combined Pro Forma Financial Data of Altra and the A&S Business**

The following summary unaudited pro forma combined financial information of Altra and the A&S Business is being presented for illustrative purposes only, and this information should not be relied upon for purposes of making any investment or other decisions. The following summary unaudited pro forma combined financial data assume that the A&S Business had been owned by Altra for the period, and at the date presented. Altra and the A&S Business may have performed differently had they actually been combined for all periods or on the date presented. You should also not rely on the following summary unaudited pro forma combined financial data as being indicative of the results or financial condition that would have been achieved had Altra and the A&S Business been combined during the periods or on the date presented or of the actual future results or financial condition of Altra to be achieved following the Transactions. See Risk Factors Risks Related to the Combined Company's Business The unaudited pro forma combined financial information of Altra and the A&S Business is not intended to reflect what actual results of operations and financial condition would have been had Altra and the A&S Business been a combined company for the periods presented, and therefore these results may not be indicative of the combined company's future operating performance.

This information is only a summary and has been derived from and should be read in conjunction with the financial statements of Altra and the notes thereto contained in Altra's Quarterly Report on Form 10-Q for the six months ended June 30, 2018 and Annual Report on Form 10-K for the year ended December 31, 2017, which are incorporated by reference in this document, the financial statements of the A&S Business and the notes thereto included elsewhere in

this document and the more detailed unaudited pro forma condensed combined financial statements of Altra and the A&S Business and the notes thereto included elsewhere in this document.

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See Where You Can Find More Information; Incorporation by Reference, Unaudited Pro Forma Combined Information of Altra and the A&S Business and the audited financial statements of the A&S Business included elsewhere in this document.

	<b>As of and for the Six Months Ended June 30, 2018</b>	<b>As of and for the Year Ended December 31, 2017</b>
	<i>(in millions, except per share data)</i>	
<b>Results of Operations:</b>		
Net sales	\$ 984.5	\$ 1,784.0
Cost of sales	633.7	1,150.0
Gross profit	350.8	634.0
<b>Operating expenses:</b>		
Research and development	30.8	61.0
Selling, general and administrative	163.0	302.5
Amortization of acquired intangible assets	34.4	68.4
Restructuring charges and other	1.5	5.8
	229.7	437.7
Income from operations	121.1	196.3
Total other (income) expense	50.3	94.0
Income before income tax expense	70.8	102.3
Income tax expense	16.1	23.5
Net income	\$ 54.7	\$ 78.8
<b>Per Share Information:</b>		
Basic net income per share:	\$ 0.85	\$ 1.23
Diluted net income per share:	\$ 0.85	\$ 1.22
Weighted average common shares outstanding used in computing		
Net income per share Basic	64.1	63.9
Net income per share Diluted	64.6	64.5
<b>Balance Sheet Data:</b>		
Cash and cash equivalents	\$ 38.1	\$ 52.0
Total assets	4,491.8	4,495.5
Debt	1,720.8	1,722.4
Total stockholders' equity	\$ 2,002.1	\$ 1,999.7
Ratio of earnings to fixed charges <sup>(1)</sup>	2.5x	2.1x

(1) The full computation of the combined company's ratio of earnings to fixed charges for the periods specified is filed as Exhibit 12.1 to the registration statement of which this document forms a part.

**Summary Unaudited Pro Forma Consolidated Condensed Financial Data of Fortive**

The following summary unaudited pro forma consolidated condensed financial data of Fortive is being presented for illustrative purposes only, and this information should not be relied upon for purposes of making any investment or other decisions. The following summary unaudited pro forma consolidated condensed financial data of Fortive gives effect to the proposed disposition of the A&S Business to be effectuated through the following transactions: (i) the Separation, (ii) the Distribution through a fully-subscribed exchange offer, (iii) the Direct Sale, (iv) the Cash Dividend, and (v) the Debt Exchange (the disposition related transactions, collectively, the Disposition ). The unaudited pro forma Consolidated Condensed Statements of Earnings information for the six months ended June 29, 2018 and for the year ended December 31, 2017 reflect Fortive's results as if the Disposition had occurred on January 1, 2017. The unaudited pro forma Consolidated Condensed

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Balance Sheet information as of June 29, 2018 gives effect to the Disposition as if it had occurred on that date. The summary unaudited pro forma consolidated condensed financial information is derived from, and should be read in conjunction with, the information provided in Fortive Corporation's Unaudited Pro Forma Consolidated Condensed Financial Statements and the notes thereto. The summary unaudited pro forma consolidated condensed financial data has been derived from the historical financial statements of Fortive and the A&S Business.

(\$ in millions)	<b>As of and for the Six Months Ended June 29, 2018 (unaudited)</b>	<b>As of and for the the Year Ended December 31, 2017 (unaudited)</b>
Sales	\$ 3,091.9	\$ 5,751.6
Gross profit	1,597.3	2,921.4
Operating profit	602.0	1,138.9
Earnings before income taxes	553.0	1,073.4
Net earnings	464.0	884.1
Net earnings per common share:		
Basic	1.40	2.69
Diluted	1.38	2.64
Dividends declared and paid per share	0.14	0.28
Current assets	5,427.3	
Noncurrent assets	6,816.9	
Total assets	12,244.2	
Current liabilities	2,061.9	
Long-term liabilities (excluding long-term debt)	1,084.5	
Total long-term debt	2,877.4	
Noncontrolling interests	\$ 17.3	\$
Ratios of earnings to fixed charges <sup>(a)</sup>	12.4	13.9

(a) The ratios of earnings to fixed charges were computed by dividing earnings by fixed charges for the periods indicated, where (1) earnings consist of earnings before income taxes plus fixed charges, and (2) fixed charges consist of (A) interest, whether expensed or capitalized, on all indebtedness, (B) amortization of premiums, discounts and capitalized expenses related to indebtedness, and (C) an interest component representing the estimated portion of rental expense that management believes is attributable to interest. Interest on unrecognized tax benefits is included in the tax provision and is excluded from the computation of fixed charges.

	<b>As of and for the Six Months Ended June 29, 2018 (unaudited)</b>
<b>Other Financial Data:</b>	
Book value per common share	\$ 18.82

**Summary Comparative Historical and Pro Forma Per Share Data**



The following table sets forth certain historical and pro forma per share data for Altra and Fortive. The Altra historical data have been derived from and should be read together with Altra's audited consolidated financial statements and related notes thereto contained in Altra's Quarterly Report on Form 10-Q for the six months ended June 30, 2018 and Annual Report on Form 10-K for the fiscal year ended December 31, 2017, which are incorporated by reference into this prospectus. The Fortive historical data have been derived from and should be read together with Fortive's unaudited consolidated condensed financial statements and related notes thereto contained in Fortive's Quarterly Report on Form 10-Q for the six months ended June 29, 2018 and Annual

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Report on Form 10-K for the fiscal year ended December 31, 2017, which are incorporated by reference into this prospectus. Altra's pro forma data have been derived from the unaudited pro forma combined financial statements of Altra and the A&S Business included elsewhere in this prospectus. Fortive's pro forma data have been derived from the unaudited pro forma combined financial statements of Fortive included elsewhere in this prospectus. See [Where You Can Find More Information; Incorporation by Reference](#).

This summary comparative historical and pro forma per share data are being presented for illustrative purposes only. Fortive, Altra and the A&S Business may have performed differently had the Transactions occurred prior to the period or at the date presented. You should not rely on the pro forma per share data presented as being indicative of the results that would have been achieved had the A&S Business been separated from Fortive and combined with Altra during the period or at the date presented or of the actual future results or financial condition of Fortive, Altra or the A&S Business to be achieved following the Transactions.

<b>Altra</b>	<b>As of and for the Six Months Ended June 30, 2018</b>		<b>As of and for the Year Ended December 31, 2017</b>	
	<b>Historical</b>	<b>Pro Forma</b>	<b>Historical</b>	<b>Pro Forma</b>
	<i>(in millions, except per share data)</i>			
Basic earnings per share	\$ 0.96	\$ 0.85	\$ 1.78	\$ 1.23
Diluted earnings per share	\$ 0.96	\$ 0.85	\$ 1.77	\$ 1.22
Weighted average common shares outstanding Basic	29.1	64.1	28.9	63.9
Weighted average common shares outstanding Diluted	29.2	64.6	29.1	64.5
Book value per share of common stock	\$ 14.19	\$ 31.06	\$ 13.65	\$ 31.04
Dividends declared per share of common stock	\$ 0.34	\$ 0.34	\$ 0.66	\$ 0.66

<b>Fortive</b>	<b>As of and for the Six Months Ended June 29, 2018</b>		<b>As of and for the Year Ended December 31, 2017</b>	
	<b>Historical</b>	<b>Pro Forma</b>	<b>Historical</b>	<b>Pro Forma</b>
	<i>(in millions, except per share data)</i>			
Basic earnings per common share	\$ 1.59	\$ 1.40	\$ 3.01	\$ 2.69
Diluted earnings per common share	\$ 1.57	\$ 1.38	\$ 2.96	\$ 2.64
Weighted average common shares outstanding Basic	348.9	330.6	347.5	329.2
Weighted average common shares outstanding Diluted	354.7	336.4	352.6	334.3
Book value per share of common stock	\$ 16.17	\$ 18.82	\$ 10.96	N/A
Dividends declared per share of common stock	\$ 0.14	\$ 0.14	\$ 0.28	\$ 0.28

**As of and  
for the  
six months ended**

**As of and for  
the  
year ended**

	<b>June 30, 2018</b>	<b>December 31, 2017</b>
<b>Equivalent pro forma <sup>(a)</sup></b>		
Net income available to common stockholders per share Basic		
Net income available to common stockholders per share Diluted		
Cash dividend declared per share of common stock		
Book value per share of common stock		

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- (a) Equivalent pro forma per share data is calculated by multiplying the Altra pro forma per share amounts by the exchange ratio of \_\_\_\_\_ shares of Newco common stock for each share of Fortive common stock tendered in this Exchange Offer, which represents the indicative exchange ratio that would have been in effect following the official close of trading on Nasdaq and the NYSE on \_\_\_\_\_, 2018, and is calculated as the daily VWAP of Fortive common stock of \$ \_\_\_\_\_ per share divided by \_\_\_\_\_ % of the daily VWAP of Altra common stock of \$ \_\_\_\_\_ per share, reflecting a discount of \_\_\_\_\_ %.

**Historical Common Stock Market Price and Dividend Data**

Historical market price data for Newco have not been presented because the A&S Business is currently owned and operated by Fortive and there is no established trading market for Newco common stock. Newco common stock does not currently trade separately from Fortive common stock.

Shares of Fortive common stock currently trade on the NYSE under the symbol FTV. On March 6, 2018, the last trading day before the announcement of the Transactions, the last sale price of Fortive's common stock reported by the NYSE was \$75.12. On \_\_\_\_\_, 2018, the last trading day prior to the date of this prospectus, the last sale price of Fortive common stock reported by the NYSE was \$ \_\_\_\_\_.

Shares of Altra common stock currently trade on Nasdaq under the symbol AIMC. On March 6, 2018, the last trading day before the announcement of the Transactions, the last sale price of Altra's common stock reported by Nasdaq was \$44.60. On \_\_\_\_\_, 2018, the last trading day prior to the date of this prospectus, the last sale price of Altra common stock reported by Nasdaq was \$ \_\_\_\_\_.

The following table sets forth, for the periods indicated, the high and low sales prices per share of Fortive common stock, as reported on the NYSE, and Altra common stock, as reported on Nasdaq. In addition, the table also sets forth the quarterly cash dividends per share declared by Fortive with respect to Fortive common stock and Altra with respect to Altra common stock.

	<b>Fortive Per Share Dividends</b>	<b>Fortive Common Stock</b>		<b>Altra Per Share Dividends</b>	<b>Altra Common Stock</b>	
		<b>High</b>	<b>Low</b>		<b>High</b>	<b>Low</b>
<b>Calendar Year Ending December 31, 2018</b>						
First Quarter	\$ 0.07	\$ 80.31	\$ 69.03	\$ 0.17	\$ 53.70	\$ 41.05
Second Quarter	\$ 0.07	\$ 81.51	\$ 69.08	\$ 0.17	\$ 46.55	\$ 40.45
Third Quarter (through August 3, 2018)	\$ 0.07	\$ 82.63	\$ 75.67	\$ 0.17	\$ 46.35	\$ 41.65
<b>Calendar Year Ending December 31, 2017</b>						
First Quarter	\$ 0.07	\$ 60.41	\$ 52.99	\$ 0.15	\$ 46.90	\$ 35.20
Second Quarter	\$ 0.07	\$ 65.21	\$ 59.54	\$ 0.17	\$ 45.03	\$ 36.50
Third Quarter	\$ 0.07	\$ 71.07	\$ 62.05	\$ 0.17	\$ 48.95	\$ 38.80
Fourth Quarter	\$ 0.07	\$ 75.69	\$ 70.01	\$ 0.17	\$ 50.80	\$ 44.95
<b>Calendar Year Ended December 31, 2016</b>						
First Quarter	\$	\$	\$	\$ 0.15	\$ 28.08	\$ 20.55
Second Quarter	\$	\$	\$	\$ 0.15	\$ 30.00	\$ 25.77
Third Quarter	\$ 0.07	\$ 54.34	\$ 46.29	\$ 0.15	\$ 29.23	\$ 26.24
Fourth Quarter	\$ 0.07	\$ 56.24	\$ 46.81	\$ 0.15	\$ 39.85	\$ 27.35



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**Table of Contents****RISK FACTORS**

You should carefully consider the following risks, together with the other information contained or incorporated by reference in this prospectus and the exhibits hereto. Some of the risks described below relate principally to the business and the industry in which Altra, including the A&S Business, will operate after the Transactions, while others relate principally to the Transactions and participation in this Exchange Offer. The remaining risks relate principally to the securities markets generally and ownership of shares of Altra common stock. For a discussion of additional uncertainties associated with forward-looking statements in this prospectus, please see the section entitled Cautionary Statement Concerning Forward-Looking Statements. In addition, you should consider the risks associated with Altra's business that appear in Altra's Annual Report on Form 10-K for the year ended December 31, 2017, which is incorporated by reference into this prospectus.

**Risks Related to the Transactions**

*The risk to Fortive stockholders that the calculation of the merger consideration will not be adjusted if the value of the business or assets of the A&S Business increases or if the value of Altra decreases before the Merger is completed and the risk to Altra stockholders that the calculation of the merger consideration will not be adjusted if the value of the business or assets of the A&S Business declines or if the value of Altra increases before the Merger is completed.*

The calculation of the number of shares of Altra common stock to be distributed in the Merger will not be adjusted (i) if the value of the business or assets of the A&S Business increases prior to the consummation of the Merger or the value of Altra decreases prior to the Merger, or (ii) if the value of the business or assets of the A&S Business declines prior to the consummation of the Merger or the value of Altra increases prior to the Merger. Altra will not be required to consummate the Merger if there has been any material adverse effect (as such term is described in The Merger Agreement Representations and Warranties ) on the A&S Business. However, Altra will not be permitted to terminate the Merger Agreement or resolicit the vote of Altra stockholders because of any changes in the market prices of Altra's common stock or any changes in the value of the A&S Business that do not constitute a material adverse effect with respect to the A&S Business.

*The trading prices of Altra common stock may not be an appropriate proxy for the prices of Newco common stock.*

The calculated per-share value for Newco common stock is based on the trading prices for Altra common stock, which may not be an appropriate proxy for the prices of Newco common stock. There is currently no trading market for Newco common stock. Fortive believes, however, that the trading prices for Altra common stock are an appropriate proxy for the trading prices of Newco common stock because immediately following the consummation of this Exchange Offer, Merger Sub will be merged with and into Newco, whereby Newco will continue as the surviving, wholly-owned subsidiary of Altra. In the Merger, each outstanding share of Newco common stock will be cancelled and retired and will cease to exist and the holders of shares of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will receive the right to receive a number of fully paid and nonassessable shares of Altra common stock equal to (x) 35 million shares of Altra common stock divided by (y) the aggregate number of shares of Newco common stock issued and outstanding as of immediately prior to the effective time of the Merger. In addition, Newco will authorize the issuance of a number of shares of Newco common stock such that the total number of shares of Newco common stock outstanding immediately prior to the Distribution will be that number that results in the exchange ratio in the Merger equaling one. As a result, each share of Newco common stock (except for shares of Newco common stock held by Fortive, Newco, Altra or Merger Sub, which shares will be canceled and cease to exist, and no consideration will be delivered in exchange therefor) will be converted into one

share of Altra common stock in the Merger. There can be no assurance, however, that Altra common stock after the issuance of shares of Newco common stock and the Merger will trade on the same basis as Altra common stock trades prior to the

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Transactions. In addition, it is possible that the trading prices of Altra common stock prior to consummation of the Merger will not fully reflect the anticipated value of Altra common stock after the Merger. For example, trading prices of Altra common stock on the Valuation Dates could reflect some uncertainty as to the timing or consummation of the Merger or could reflect trading activity by investors seeking to profit from market arbitrage.

***Altra's estimates and judgments related to the acquisition accounting models used to record the purchase price allocation may be inaccurate.***

Management will make significant accounting judgments and estimates for the application of acquisition accounting under GAAP, and the underlying valuation models. Altra's business, operating results and financial condition could be materially and adversely impacted in future periods if Altra's accounting judgments and estimates related to these models prove to be inaccurate.

***Altra may be required to recognize impairment charges for goodwill and other intangible assets.***

The proposed Transactions will add approximately \$3.1 billion of goodwill and other intangible assets to Altra's consolidated balance sheet. In accordance with GAAP, management periodically assesses these assets to determine if they are impaired. Significant negative industry or economic trends, disruptions to Altra's business, inability to effectively integrate acquired businesses, unexpected significant changes or planned changes in use of the assets, divestitures and market capitalization declines may impair goodwill and other intangible assets. Any charges relating to such impairments would adversely affect results of operations in the periods recognized.

***Altra and Fortive may be unable to satisfy the conditions or obtain the approvals required to complete the Transactions.***

The consummation of the Transactions is subject to numerous conditions, as described in this prospectus, including consummation of certain transactions contemplated by the Merger Agreement and the Separation Agreement (such as the Separation and the receipt of Altra stockholder approval for the Share Issuance). Neither Fortive nor Altra can make any assurances that the Transactions will be consummated on the terms or timeline currently contemplated, or at all. Each of Fortive and Altra has and will continue to expend time and resources and incur expenses related to the proposed Transactions.

Governmental agencies may not approve the Transactions or may impose conditions to the approval of the Transactions or require changes to the terms of the Transactions. Any such conditions or changes could have the effect of delaying completion of the Merger, imposing costs on or limiting the revenues of the combined company following the Merger or otherwise reducing the anticipated benefits of the Merger. Any condition or change which results in a Burdensome Condition, as such term is described in The Merger Agreement Regulatory Matters, on the A&S Business and/or Altra under the Merger Agreement might cause Fortive and/or Altra to restructure or terminate the Transactions.

Altra and Newco will need to obtain debt financing to complete the Transactions. Although the Commitment Letters have been obtained from various lenders, the obligations of the lenders under the Commitment Letters are subject to the satisfaction or waiver of customary conditions, including, among others, the absence of any material adverse effect. Accordingly, there can be no assurance that these conditions will be satisfied or, if not satisfied, waived by the lenders. If Altra is not able to obtain alternative financing on commercially reasonable terms, it could prevent the consummation of the Transactions or materially and adversely affect Altra's business, liquidity, financial condition and results of operations if the Transactions are ultimately consummated.



***If completed, the Transactions may not be successful or achieve their anticipated benefits.***

If the Transactions are completed Altra may not be able to successfully realize anticipated growth opportunities or integrate Altra's business and operations with the A&S Business's business and operations.

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After the Transactions, Altra will have significantly more revenue, expenses, assets and employees than Altra did prior to the Transactions. In the Transactions, Altra will also be assuming certain liabilities of the A&S Business and taking on other obligations (including collective bargaining agreements and certain non-U.S. pension obligations with respect to transferred employees). Altra may not successfully or cost-effectively integrate the A&S Business's business and operations into Altra's existing business and operations. Even if the combined company is able to integrate the combined businesses and operations successfully, this integration may not result in the realization of the full benefits of the growth and other opportunities that Altra currently expects from the Transactions within the anticipated time frame, or at all.

***Altra is required to abide by potentially significant restrictions which could limit Altra's ability to undertake certain corporate actions (such as the issuance of Altra common stock or the undertaking of a merger or consolidation) that otherwise could be advantageous.***

To preserve the tax-free treatment to Fortive and/or its stockholders of the Distribution and certain related transactions, under the Tax Matters Agreement, Altra is restricted from taking certain actions that could prevent such transactions from being tax-free. These restrictions may limit Altra's ability to pursue certain strategic transactions or engage in other transactions, including using Altra common stock to make acquisitions and in connection with equity capital market transactions that might increase the value of Altra's business. See Other Agreements Tax Matters Agreement for a detailed description of these restrictions.

***The Distribution could result in significant tax liability, and Altra may be obligated to indemnify Fortive for any such tax liability imposed on Fortive.***

The completion of the Transactions is conditioned upon the receipt by Fortive of the Distribution Tax Opinion and the receipt by Fortive and Altra of Merger Tax Opinions to the effect that (among other things), for U.S. federal income tax purposes, the Newco Contribution, taken together with the Distribution, will qualify as a reorganization under Sections 368(a), 361 and 355 of the Code (in the case of the Distribution Tax Opinion) and the Merger will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Code (in the case of the Merger Tax Opinions). Provided that the Newco Contribution, the Distribution and the Merger so qualify, Fortive's stockholders will not recognize any taxable income, gain or loss as a result of the Distribution or the Merger for U.S. federal income tax purposes (except for any gain or loss attributable to the receipt of cash in lieu of fractional shares) and Fortive will not recognize gain or loss except to the extent the Cash Dividend exceeds Fortive's adjusted tax basis in the Newco common stock or, if the Debt Exchange is not reasonably likely to be consummated in an amount equal to the Above-Basis Amount at the time of the Distribution, Fortive elects to require Newco (a) to issue to Fortive the Newco Securities or (b) to borrow an amount up to the Above-Basis Amount pursuant to the Bridge Facility and distribute the net proceeds thereof to Fortive. Fortive also intends to seek a ruling from the IRS regarding certain issues relevant to the qualification of the Distribution and certain other aspects of the Transactions for tax-free treatment for U.S. federal income tax purposes.

Although the IRS Ruling, if received, will generally be binding on the IRS, the continuing validity of such ruling will be subject to the accuracy of factual representations and assumptions made in the ruling request. In addition, the Distribution Tax Opinion and the Merger Tax Opinions will be based upon various factual representations and assumptions, as well as certain undertakings made by Fortive and Newco. If any of those factual representations or assumptions are untrue or incomplete in any material respect, any undertaking is not complied with, or the facts upon which the opinion will be based are materially different from the facts at the time of the Distribution, the Distribution may not qualify for tax-free treatment. Opinions of counsel are not binding on the IRS. As a result, the conclusions expressed in the opinions of counsel could be challenged by the IRS, and if the IRS prevails in such challenge, the tax consequences to Fortive and its stockholders could be materially unfavorable.

If this Exchange Offer were determined not to qualify for non-recognition of gain and loss under Sections 355 and 368(a)(1)(D) of the Code, each Fortive stockholder who receives Newco common stock in this Exchange

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Offer would generally be treated as recognizing taxable gain or loss equal to the difference between the fair market value of the Newco common stock received by the stockholder in this Exchange Offer and its tax basis in the shares of Fortive common stock exchanged therefor, or, in certain circumstances, as receiving a taxable distribution equal to the fair market value of the Newco common stock received by the stockholder in this Exchange Offer. If the spin-off (in the event this Exchange Offer is not fully subscribed) were determined not to qualify for non-recognition of gain and loss under Sections 355 and 368(a)(1)(D) of the Code, each Fortive stockholder who receives Newco common stock in the spin-off would generally be treated as receiving a taxable distribution equal to the fair market value of the Newco common stock received by the stockholder in the spin-off.

In addition, if the Distribution were determined not to qualify for non-recognition of gain and loss under Sections 355 and 368(a)(1)(D) of the Code, Fortive would generally recognize gain with respect to the transfer of Newco common stock in the Distribution.

Even if the Distribution otherwise qualifies under Section 355 of the Code, the Distribution would be taxable to Fortive (but not to Fortive stockholders) pursuant to Section 355(e) of the Code if one or more persons acquire a 50% or greater interest (measured by vote or value) in the stock of Fortive or Newco, directly or indirectly (including through acquisitions of Altra's stock after the completion of the Transactions), as part of a plan or series of related transactions that includes the Distribution. Current law generally creates a presumption that any direct or indirect acquisition of stock of Fortive or Newco within two years before or after the Distribution is part of a plan that includes the Distribution, although the parties may be able to rebut that presumption in certain circumstances. The process for determining whether an acquisition is part of a plan under these rules is complex, inherently factual in nature, and subject to a comprehensive analysis of the facts and circumstances of the particular case. Although it is expected that the Merger will be treated as part of such a plan, the Merger standing alone will not cause Section 355(e) of the Code to apply to the Distribution because holders of Newco common stock immediately before the Merger will hold more than 50% of the stock of the combined company (by vote and value) immediately after the Merger. However, if the IRS were to determine that other direct or indirect acquisitions of stock of Fortive or Newco, either before or after the Distribution, were part of a plan that includes the Distribution, such determination could cause Section 355(e) of the Code to apply to the Distribution, which could result in a material tax liability.

The Distribution and certain aspects of the Separation could be taxable to Fortive if Newco or Altra were to engage in a Newco Disqualifying Action (as defined in the Tax Matters Agreement). In such cases, under the Tax Matters Agreement, Newco and Altra will be required to indemnify Fortive against any taxes resulting from the Distribution or certain aspects of the Separation that arise as a result of a Newco Disqualifying Action. If Fortive were to recognize gain on the Distribution or certain aspects of the Separation for reasons not related to a Newco Disqualifying Action by Newco or Altra, Fortive would not be entitled to be indemnified under the Tax Matters Agreement and the resulting tax to Fortive could have a material adverse effect on Fortive. If Newco or Altra were required to indemnify Fortive as a result of the Distribution or certain aspects of the Separation being taxable, this indemnification obligation would likely be substantial and could have a material adverse effect on Altra, including with respect to its financial condition and results of operations.

***If the Merger does not qualify as a tax-free reorganization under Section 368 of the Code, the stockholders of Fortive may have significant tax liability.***

The obligations of Fortive and Altra to consummate the Transactions are conditioned on, among other things, the receipt by Fortive and Altra of opinions of counsel to the effect that the Merger will be treated as a tax-free reorganization in which no gain will be recognized for U.S. federal income tax purposes. The opinions will be based upon various factual representations and assumptions, as well as certain undertakings made by Fortive and Newco. If any of those factual representations or assumptions are untrue or incomplete in any material respect, any undertaking

is not complied with, or the facts upon which the opinion will be based are materially different from the facts at the time of the Distribution, the Merger may not qualify for tax-free

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treatment. Opinions of counsel are not binding on the IRS. As a result, the conclusions expressed in the opinions of counsel could be challenged by the IRS, and if the IRS prevails in such challenge, the tax consequences to Newco and holders of shares of Newco common stock could be materially less favorable. If the Merger were taxable, holders of shares of Newco common stock would be considered to have made a taxable sale of their shares of Newco common stock to Altra, and holders of shares of Newco common stock would generally recognize taxable gain or loss on their receipt of Altra common stock in the Merger. See Material U.S. Federal Income Tax Consequences of the Transactions.

***Upon completion of the Transactions, Altra will incur significant expenses in connection with the integration of the A&S Business.***

Upon completion of the Transactions, Altra expects to incur significant expenses in connection with the integration of the A&S Business, including integrating products and technology, personnel, information technology systems, accounting systems and suppliers of each business and implementing consistent standards, policies and procedures, and may possibly be subject to material write downs in assets and charges to earnings, which may include severance pay and other costs.

***Altra will incur significant costs related to the Transactions that could have a material adverse effect on its liquidity, cash flows and operating results.***

Altra expects to incur significant one-time costs in connection with the Transactions, including approximately \$85 to \$95 million in transaction-related costs (of which \$45 to \$50 million will be capitalized) and approximately \$24 million in non-recurring implementation costs during the first four years following the consummation of the Transactions that Altra management believes are necessary to realize the anticipated synergies from the Transactions. The incurrence of these costs may have a material adverse effect on Altra's liquidity, cash flows and operating results in the periods in which they are incurred.

***Some of Altra's directors and executive officers have interests in seeing the Transactions completed that may be different from, or in addition to, those of other Altra stockholders. Therefore, some of Altra's directors and executive officers may have a conflict of interest in recommending the proposals being voted on at Altra's special meeting.***

In considering the recommendations of the Altra board of directors that Altra's stockholders vote to approve the Share Issuance, you should be aware that Altra's executive officers have financial interests in the Transactions that may be different from, or in addition to, the interests of Altra's stockholders generally. The members of the Altra board of directors were aware of and considered these interests, among other matters, in reaching the determination to approve the terms of the Transactions, including the Merger, and in recommending to Altra's stockholders that they vote to approve the Share Issuance.

The interests of Altra's executive officers generally include the following:

potential enhanced severance payments in the event of a qualifying termination of employment within the first 24 months following the closing date of the Merger and certain terminations in anticipation of the Merger;

potential acceleration of equity awards held under the Altra Equity Plan in the event of a qualifying termination of employment within the first 24 months following the closing date of the Merger; and

conversion of performance shares into service-vesting restricted stock units immediately upon the closing of the Merger, with the performance goals deemed satisfied based on actual performance as of the last completed quarter prior to the closing date of the Merger.

The executive officers of Altra immediately prior to the closing of the Merger are generally expected to be the executive officers of Altra immediately after the closing of the Merger. None of Altra's non-employee

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directors will receive any payments or benefits in connection with the Transactions, and the Transactions will have no impact on stock awards held by non-employee directors. For a description and quantification of the benefits that Altra's executive officers may receive as a result of these interests, see "The Transactions: Interests of Altra's Directors and Executive Officers in the Transactions."

***Altra may waive one or more of the conditions to the consummation of the Transactions without re-soliciting stockholder approval.***

Altra may determine to waive, in whole or in part, one or more of the conditions to its obligations to consummate the Transactions, to the extent permitted by applicable law. If Altra waives the satisfaction of a material condition to the consummation of the Transactions, Altra will evaluate the appropriate facts and circumstances at that time and re-solicit stockholder approvals of the Share Issuance if required to do so by law or the rules of Nasdaq. In some cases, if the Altra board of directors determines that such waiver or its effect on Altra's stockholders does not rise to the level of materiality that would require re-solicitation of proxies pursuant to applicable law or the rules of Nasdaq, Altra would complete the Transactions without seeking further stockholder approval. Any determination whether to waive any condition to the Transactions or as to re-soliciting Altra stockholder approval or amending this proxy statement as a result of a waiver will be made by the Altra board of directors at the time of such waiver based on the facts and circumstances as they exist at that time.

**Risks Related to this Exchange Offer**

***Tendering Fortive stockholders may receive a reduced premium or may not receive any premium in this Exchange Offer.***

This Exchange Offer is designed to permit you to exchange your shares of Fortive common stock for shares of Newco common stock at a % discount to the per-share value of Newco common stock, calculated as set forth in this prospectus. Stated another way, for each \$100 of your Fortive common stock accepted in this Exchange Offer, you will receive approximately \$ of Newco common stock (subject to the exception described below). The value of the Fortive common stock will be based on the calculated per-share value of Fortive common stock on the NYSE and the value of the shares of Newco common stock will be based on the calculated per-share value of Altra common stock on Nasdaq, in each case determined by reference to the simple arithmetic average of the daily VWAP on each of the Valuation Dates.

The number of shares you can receive is, however, subject to an upper limit of shares of Newco common stock for each share of Fortive common stock accepted in this Exchange Offer. As a result, you may receive less than \$ of Newco common stock for each \$100 of Fortive common stock, depending on the calculated per-share value of Fortive common stock and the calculated per-share value of Newco common stock at the expiration date. Because of the limit on the number of shares of Newco common stock you will receive in this Exchange Offer, if there is a drop of sufficient magnitude in the trading price of Altra common stock relative to the trading price of Fortive common stock, and/or if there is an increase of sufficient magnitude in the trading price of Fortive common stock relative to the trading price of Altra common stock, you may not receive \$ of Newco common stock for each \$100 of Fortive common stock, and could receive much less.

For example, if the calculated per-share value of Fortive common stock was \$ (the highest closing price for Fortive common stock on the NYSE during the three-month period prior to commencement of this Exchange Offer) and the calculated per-share value of Newco common stock was \$ (the lowest closing price for Altra common stock on Nasdaq during that three-month period), the value of Newco common stock, based on the Altra common stock price, received for Fortive common stock accepted for exchange would be approximately \$ for each \$100 of



Fortive common stock accepted for exchange.

This Exchange Offer does not provide for a minimum exchange ratio. See The Exchange Offer Terms of this Exchange Offer. If the upper limit on the number of shares of Newco common stock that can be received for each share of Fortive common stock tendered is in effect, then the exchange ratio will be fixed at the upper limit.

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For example, if the trading price of Fortive common stock were to increase during the last two full trading days of this Exchange Offer, the average Fortive stock price used to calculate the exchange ratio would likely be lower than the closing price of shares of Fortive common stock on the last full trading day prior to the expiration date of this Exchange Offer. As a result, you would receive fewer shares of Newco common stock, and therefore effectively fewer shares of Altra common stock, for each \$100 of shares of Fortive common stock than you would have if the average Fortive stock price were calculated on the basis of the closing price of shares of Fortive common stock on the last full trading day prior to the expiration date of this Exchange Offer or on the basis of an averaging period that includes the last two full trading days prior to the expiration of the Exchange Offer period. Similarly, if the trading price of Altra common stock were to decrease during the last two full trading days prior to the expiration of the Exchange Offer period, the average Altra stock price used to calculate the exchange ratio would likely be higher than the closing price of Altra common stock on the last full trading day prior to the expiration date. This could also result in your receiving fewer shares of Newco common stock, and therefore effectively fewer shares of Altra common stock, for each \$100 of Fortive common stock than you would otherwise receive if the average Altra common stock price were calculated on the basis of the closing price of Altra common stock on the last full trading day prior to the expiration date or on the basis of an averaging period that included the last two full trading days prior to the expiration of the Exchange Offer period.

In addition, there is no assurance that holders of shares of Fortive common stock that are exchanged for shares of Newco common stock in this Exchange Offer will be able to sell the shares of Altra common stock after receipt in the Merger at prices comparable to the calculated per-share value of Newco common stock at the expiration date. For example, in the event that this Exchange Offer is not fully subscribed, Fortive will distribute in the spin-off the remaining shares of Newco common stock that will convert into Altra common stock in the Merger. Fortive stockholders who receive Altra common stock as a result of the spin-off (in the event this Exchange Offer is not fully subscribed) and the Merger may not want to be Altra common stock holders and may sell those shares immediately in the public market. Although Fortive has no actual knowledge of any plan or intention of any significant stockholder of Fortive to sell the Altra common stock it receives as a result of the spin-off (in the event this Exchange Offer is not fully subscribed) and the Merger, it is possible that some Fortive stockholders will sell the Altra common stock they receive if, for reasons such as Altra's business profile or market capitalization, Altra does not fit their investment objectives, or in the case of index funds, Altra is not a participant in the index in which they are investing. The sales of significant amounts of Altra common stock relating to the above events or the perception in the market that such sales will occur may decrease the market price of Altra's common stock.

***Following the conversion of shares of Newco common stock into shares of Altra common stock in the Merger, the former holders of shares of Newco common stock may experience a delay prior to receiving their shares of Altra common stock or their cash in lieu of fractional shares, if any.***

Following the conversion of shares of Newco common stock into shares of Altra common stock, the former holders of shares of Newco common stock will receive their shares of Altra common stock or cash in lieu of fractional shares, if any, only upon surrender of all necessary documents, duly executed, to the merger exchange agent. Until the distribution of the shares of Altra common stock to the individual stockholder has been completed, the relevant holder of shares of Altra common stock will not be able to sell its shares of Altra common stock. Consequently, in case the market price for Altra common stock should decrease during that period, the relevant stockholder would not be able to stop any losses by selling the shares of Altra common stock. Similarly, the former holders of shares of Newco common stock who received cash in lieu of fractional shares will not be able to invest the cash until the distribution to the relevant stockholder has been completed, and they will not receive interest payments for this time period.

***Fortive stockholders' investment will be subject to different risks after this Exchange Offer regardless of whether they elect to participate in this Exchange Offer.***

If Fortive stockholders exchange all of their shares of Fortive common stock and this Exchange Offer is not oversubscribed, then they will no longer have an interest in Fortive, but instead they will directly

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own an interest in Altra. As a result, their investment will be subject exclusively to risks associated with Altra and not risks associated solely with Fortive.

If Fortive stockholders exchange all of their shares of Fortive common stock and this Exchange Offer is oversubscribed, then the offer will be subject to the proration procedures described below and, unless their odd-lot tender is not subject to proration, such Fortive stockholders will own an interest in both Fortive and Altra. As a result, their investment will be subject to risks associated with both Fortive and Altra.

If Fortive stockholders exchange some, but not all, of their shares of Fortive common stock, then regardless of whether this Exchange Offer is fully subscribed, the number of shares of Fortive common stock they own will decrease (unless they otherwise acquire shares of Fortive common stock), while the number of shares of Newco common stock, and therefore effectively shares of Altra common stock, they own will increase. As a result, their investment will be subject to risks associated with both Fortive and Altra.

In addition to the consequences of this Exchange Offer described above, in the event that this Exchange Offer is not fully subscribed, Fortive stockholders that remain stockholders of Fortive following the completion of this Exchange Offer will receive shares of Altra common stock (although they may instead receive only cash in lieu of a fractional share) when Fortive completes the spin-off described under *The Exchange Offer Distribution of Newco Common Stock Remaining After this Exchange Offer*. As a result, their investment may be subject to risks associated with both Fortive and Altra.

Whether or not Fortive stockholders tender their shares of Fortive common stock, any Fortive shares they hold after the completion of this Exchange Offer will reflect a different investment from the investment they previously held because Fortive will no longer own the A&S Business.

## **Risks Related to the Combined Company's Business Following the Transactions**

### ***Sales of Altra common stock after the Transactions may negatively affect the market price of Altra common stock.***

The shares of Altra common stock to be issued in the Transactions to holders of shares of Newco common stock will generally be eligible for immediate resale. The market price of Altra common stock could decline as a result of sales of a large number of shares of Altra common stock in the market after the consummation of the Transactions or even the perception that these sales could occur.

It is expected that upon completion of the Transactions, pre-Merger holders of Newco common stock and Newco Employees will hold approximately 54% of Altra's common stock on a fully-diluted basis and Altra's existing stockholders will hold approximately 46% of Altra's common stock on a fully-diluted basis, subject to adjustment in limited circumstances as provided in the Merger Agreement and as described in the section of this document entitled *The Merger Agreement The Adjustment Payment*. Currently, Fortive stockholders may include index funds that have performance tied to certain stock indices and institutional investors subject to various investing guidelines.

Because Altra may not be included in these indices following the consummation of the Transactions or may not meet the investing guidelines of some of these institutional investors, these index funds and institutional investors may decide to or may be required to sell the shares of Altra common stock that they receive in the Transactions. In addition, the investment fiduciaries of Fortive's defined contribution plans may decide to sell any shares of Altra common stock that the trusts for these plans receive in the Transactions, or may decide not to participate in this

Exchange Offer, in response to their fiduciary obligations under applicable law. These sales, or the possibility that these sales may occur, may also make it more difficult for Altra to obtain additional capital by selling equity securities in the future at a time and at a price that it deems appropriate.

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***The historical financial information of the A&S Business may not be representative of its results or financial condition if it had been operated independently of Fortive and, as a result, may not be a reliable indicator of its future results.***

The A&S Business is currently operated by Fortive. Consequently, the financial information of the A&S Business included in this prospectus has been derived from the combined financial statements and accounting records of the A&S Business and reflects all direct costs as well as assumptions and allocations made by management of Fortive. The financial position, results of operations and cash flows of the A&S Business presented may be different from those that would have resulted had the A&S Business been operated independently of Fortive during the applicable periods or at the applicable dates. For example, in preparing the financial statements of the A&S Business, Fortive made allocations of costs and Fortive corporate expenses deemed to be attributable to the A&S Business. However, these costs and expenses reflect the costs and expenses attributable to the A&S Business operated as part of a larger organization and do not necessarily reflect costs and expenses that would be incurred by the A&S Business had it been operated independently. As a result, the historical financial information of the A&S Business may not be a reliable indicator of future results.

***The unaudited pro forma combined financial information of Altra and the A&S Business is not intended to reflect what actual results of operations and financial condition would have been had Altra and the A&S Business been a combined company for the periods presented, and therefore these results may not be indicative of the combined company's future operating performance.***

Because Altra will combine with the A&S Business only upon completion of the Transactions, it has no available historical financial information that consolidates the financial results for the A&S Business and Altra. The historical financial statements contained or incorporated by reference in this document consist of the separate financial statements of Fortive, the A&S Business and Altra.

The unaudited pro forma combined financial information presented in this document is for illustrative purposes only and is not intended to, and does not purport to, represent what the combined company's actual results or financial condition would have been if the Transactions had occurred on the relevant date. In addition, such unaudited pro forma combined financial information is based in part on certain assumptions regarding the Transactions that Altra believes are reasonable. These assumptions, however, are only preliminary and will be updated only after the consummation of the Transactions. The unaudited pro forma combined financial information has been prepared using the acquisition method of accounting, with Altra considered the acquirer of the A&S Business. Under the acquisition method of accounting, the purchase price is allocated to the underlying tangible and intangible assets acquired and liabilities assumed based on their respective fair values with any excess purchase price allocated to goodwill. The pro forma purchase price allocation was based on an estimate of the fair values of the tangible and intangible assets and liabilities of the A&S Business. In arriving at the estimated fair values, Altra has considered the preliminary appraisals of independent consultants which were based on a preliminary and limited review of the assets and liabilities related to the A&S Business to be transferred to, or assumed by, Newco and the Direct Sales Purchasers in the Transactions. Following the effective date of the Transactions, Altra expects to complete the purchase price allocation after considering the fair value of the A&S Business's assets and liabilities at the level of detail necessary to finalize the required purchase price allocation. The final purchase price allocation may be different than that reflected in the pro forma purchase price allocation presented herein, and this difference may be material. The unaudited pro forma combined financial information also does not reflect the costs of any integration activities or transaction-related costs or incremental capital spending that Altra management believes are necessary to realize the anticipated synergies from the Transactions. Accordingly, the pro forma financial information included in this document does not reflect what Altra's results of operations or operating condition would have been had Altra and the A&S Business been a consolidated entity during all periods presented, or what the combined company's results of operations and financial

condition will be in the future.

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***Altra's business, financial condition and results of operations may be adversely affected following the Transactions if Altra cannot negotiate terms that are as favorable as those Fortive has received when Altra replaces contracts after the closing of the Transactions.***

Prior to consummation of the Transactions, certain functions (such as treasury, cash management, tax compliance, benefits, corporate development, internal audit, purchasing and information systems) for the A&S Business are generally being performed or supported under centralized systems that will not be transferred to Altra and, in some cases, under contracts that are also used for Fortive's other businesses and which are not intended to be assigned to Altra with the A&S Business. In addition, some other contracts that Fortive or its subsidiaries are a party to on behalf of the A&S Business require consents of third parties to assign them to Newco. While Fortive, under the Transition Services Agreement, will agree to provide Altra with certain limited services, there can be no assurance that Altra will be able to obtain those consents or negotiate terms that are as favorable as those Fortive received when and if Altra replaces these services with its own agreements for similar services. Although Altra believes that it will be able to obtain any such consents or enter into new agreements for similar services, it is possible that the failure to obtain consents for or replace a significant number of these agreements for any of these services or to replace them on terms that are as favorable as those Fortive has received could have a material adverse impact on Altra's business, financial condition and results of operations following completion of the Transactions.

***Altra's failure to successfully integrate the A&S Business and any future acquisitions into its business within its expected timetable could adversely affect the combined company's future results and the market price of Altra's common stock following the completion of the Transactions.***

The success of the Transactions will depend, in large part, on Altra's ability, as a combined company following the completion of the Transactions, to realize the anticipated benefits of the Transactions and on the sales and profitability of the combined company. To realize these anticipated benefits, the combined company must successfully integrate its businesses. This integration will be complex and time-consuming. The failure to successfully integrate and manage the challenges presented by the integration process may result in Altra's failure to achieve some or all of the anticipated benefits of the Transactions.

Potential difficulties that may be encountered in the integration process include, among others:

the failure to implement Altra's business plan for the combined company;

lost sales and customers as a result of customers of Altra or the A&S Business deciding not to do business with the combined company;

risks associated with managing the larger and more complex combined company;

integrating personnel of Altra and the A&S Business while maintaining focus on providing consistent, high-quality products and service to customers;

the loss of key employees;



unanticipated issues in integrating manufacturing, logistics, information, communications and other systems;

possible inconsistencies in standards, controls, procedures, policies and compensation structures;

the impact on Altra's internal controls and compliance with the regulatory requirements under the Sarbanes-Oxley Act of 2002; and

potential unknown liabilities and unforeseen expenses, delays or regulatory conditions associated with the Transactions.

If any of these events were to occur, Altra's ability to maintain relationships with customers, suppliers and employees or Altra's ability to achieve the anticipated benefits of the Transactions could be adversely affected, or could reduce Altra's sales or earnings or otherwise adversely affect Altra's business and financial results after the Transactions and, as a result, adversely affect the market price of Altra's common stock.

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Apart from the Transactions, as part of Altra's growth strategy, it has made and expects to continue to make, acquisitions. The combined company's continued growth may depend on Altra's ability to identify and acquire companies that complement or enhance the combined company's business on acceptable terms. Altra may not be able to identify or complete future acquisitions. The combined company may not be able to integrate successfully its recent acquisitions, or any future acquisitions, operate these acquired companies profitably, or realize the potential benefits from these acquisitions.

***Altra faces risks associated with its prior acquisitions of Svendborg Brakes A/S and S.B. Patent Holding ApS (collectively, Svendborg) and the shares and certain assets and liabilities of the Stromag business from GKN plc (Stromag).***

In connection with Altra's acquisitions of Svendborg and Stromag, Altra is subject to substantially all of the liabilities of Svendborg and Stromag, respectively, that were not satisfied on or prior to the corresponding closing date. There may be liabilities that Altra underestimated or did not discover in the course of performing its due diligence investigation of Svendborg and Stromag. Under the purchase agreements for the acquisitions, the sellers agreed to provide Altra with a limited set of representations and warranties, including with respect to outstanding and potential liabilities. Damages resulting from a breach of a representation or warranty could have a material and adverse effect on Altra's financial condition and results of operations, and there is no guarantee that Altra would actually be able to recover all or any portion of the sums payable in connection with such breach.

***The success of the combined company will also depend on relationships with third parties and pre-existing customers of Altra and the A&S Business, which relationships may be affected by customer or third-party preferences or public attitudes about the Transactions. Any adverse changes in these relationships could adversely affect the combined company's business, financial condition or results of operations.***

The combined company's success will depend on Altra's ability to maintain and renew relationships with pre-existing customers, suppliers and other third parties of both Altra and the A&S Business, and Altra's ability to establish new relationships. There can be no assurance that the business of the combined company will be able to maintain and renew pre-existing contracts and other business relationships, or enter into or maintain new contracts and other business relationships, on acceptable terms, if at all. The failure to maintain important business relationships could have a material adverse effect on Altra's business, financial condition or results of operations as a combined company.

***The growth of the combined company could suffer if the markets into which the combined company sells its products and services experience cyclicity.***

The growth of the combined company will depend in part on the growth of the markets which the combined company serves and on the U.S. and global economies in general. Some of the markets Altra serves are highly cyclical, such as the metals, mining and energy markets, including oil, gas and renewable energy. The A&S Business serves certain industries that have historically been cyclical and have experienced periodic downturns that have had a material adverse impact on demand for the products that the A&S Business offers. In such an environment, expected cyclical activity or sales may not occur or may be delayed and may result in significant quarter-to-quarter variability in the combined company's performance. Any of these factors could adversely affect the business, financial condition and results of operations of the combined company in any given period.

***Defects, quality issues, inadequate disclosure or misuse with respect to the products and capabilities of the combined company could adversely affect the business, reputation and financial statements of the combined company.***

Defects in, quality issues with respect to or inadequate disclosure of risks relating to the combined company's products or the misuse of the combined company's products, could lead to lost profits and other

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economic damage, property damage, personal injury or other liability resulting in third-party claims, criminal liability, significant costs, damage to its reputation and loss of business. Any of these factors could adversely affect the business, financial condition and results of operations of the combined company.

***The combined company will have a substantial amount of indebtedness following the Transactions, which could materially adversely affect its financial condition.***

Altra's level of indebtedness will increase as a result of the Transactions. As of June 30, 2018, Altra had \$261.4 million of indebtedness outstanding (of which \$260.0 million was long-term indebtedness), and as of June 30, 2018 on a pro forma basis after giving effect to the Transactions, Altra would have had \$1,720.8 million of indebtedness outstanding (of which \$1,716.1 million would have been long-term indebtedness). In connection with the Transactions, Altra will engage in the following financing activities: the entry (a) by Altra into the Altra Term Loan B Facility in an aggregate principal amount of up to \$1,340,000,000, the proceeds of which will be used, together with cash on hand of Altra or its subsidiaries (if necessary), to, among other things, (i) consummate the Direct Sales, (ii) repay in full and extinguish all outstanding indebtedness for borrowed money under Altra's existing revolving credit facility under the Second Amended and Restated Credit Agreement, dated as of October 22, 2015, among Altra and certain of its subsidiaries, as borrowers, JPMorgan Chase Bank, N.A., as administrative agent and the lenders, other agents and other parties party thereto from time to time (as amended, amended and restated, supplemented or otherwise modified through the date hereof) and (iii) pay certain fees, costs and expenses in connection with the consummation of the Transactions and (b) by Altra (and at Altra's option, Altra Industrial Motion Netherlands B.V. and any other wholly-owned direct and indirect subsidiaries of Altra to be agreed) into the Altra Revolving Credit Facility, a new senior secured revolving credit facility in an aggregate principal amount of up to \$300,000,000. Altra and each of its subsidiaries will also guarantee the obligations of Newco incurred pursuant to the Notes, the Newco Securities or the Bridge Facility, each as described in further detail under Debt Financing. Despite its level of indebtedness, Altra has and expects to continue to have the ability to borrow additional debt.

After the consummation of the Transactions, Altra's indebtedness could have important consequences, including but not limited to:

limiting its ability to fund working capital, capital expenditures and other general corporate purposes;

limiting its ability to accommodate growth by reducing funds otherwise available for other corporate purposes and to compete, which in turn could prevent Altra from fulfilling its obligations under its indebtedness;

limiting its operational flexibility due to the covenants contained in its debt agreements;

requiring it to dispose of significant assets in order to satisfy its debt service and other obligations if it is not able to satisfy these obligations from cash from operations or other sources;

to the extent that Altra's debt is subject to floating interest rates, increasing Altra's vulnerability to fluctuations in market interest rates;

limiting Altra's ability to buy back Altra common stock or pay cash dividends;

limiting its flexibility in planning for, or reacting to, changes in its business or industry or economic conditions, thereby limiting its ability to compete with companies that are not as highly leveraged; and

increasing its vulnerability to economic downturns.

Altra's ability to generate sufficient cash flow from operations to make scheduled payments on Altra's debt will depend on a range of economic, competitive and business factors, many of which are outside its control. There can be no assurance that Altra's business will generate sufficient cash flow from operations to make these payments. If Altra is unable to meet its expenses and debt obligations, Altra may need to refinance all or a portion of its indebtedness before maturity, sell assets or issue additional equity. Altra may not be able to

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refinance any of its indebtedness, sell assets or issue additional equity on commercially reasonable terms or at all, which could cause Altra to default on its obligations and impair its liquidity. Altra's inability to generate sufficient cash flow to satisfy its debt obligations, or to refinance its debt obligations on commercially reasonable terms, would have a material adverse effect on Altra's business, financial condition and results of operations, as well as on Altra's ability to satisfy its debt obligations.

### ***Altra's ability to comply with the financial maintenance covenants cannot be assured.***

The Altra Revolving Credit Facility will contain certain financial maintenance covenants requiring Altra to not exceed a maximum consolidated senior secured net leverage ratio and to maintain a minimum consolidated cash interest coverage ratio. There can be no assurance that Altra will be able to remain in compliance with these ratios. If Altra failed to comply with either of these covenants in a future period and was not able to obtain waivers from the lenders thereunder, Altra would need to refinance the Altra Revolving Credit Facility. However, there can be no assurance that such refinancing would be available to Altra on terms that would be acceptable to it or at all.

### ***Altra and the A&S Business operate in the highly competitive power transmission and motion control industries and if Altra and the A&S Business are not able to compete successfully the combined company's business may be significantly harmed.***

Altra and the A&S Business operate in highly fragmented and very competitive markets in the power transmission and motion control industries. Some of Altra and the A&S Business's competitors have achieved substantially more market penetration in certain of the markets in which Altra and the A&S Business operate, and some of Altra and the A&S Business's competitors are larger than the combined company will be following the consummation of the Transactions and have greater financial and other resources. With respect to certain of Altra and the A&S Business's products, Altra and the A&S Business compete with divisions of their original equipment manufacturer customers. Competition in their business lines is based on a number of considerations, including quality, reliability, pricing, availability, and design and application engineering support. Altra's and the A&S Business's customers increasingly demand a broad product range and Altra and the A&S Business must continue to develop their expertise in order to manufacture and market these products successfully. To remain competitive, regular investment in manufacturing, customer service and support, marketing, sales, research and development and intellectual property protection is required. In the future, the combined company may not have sufficient resources to continue to make such investments and may not be able to maintain its competitive position within each of the markets it serves. The combined company may have to adjust the prices of some of its products to stay competitive.

Additionally, some of Altra's and the A&S Business's larger, more sophisticated customers are attempting to reduce the number of vendors from which they purchase in order to increase their efficiency. If the combined company is not selected to become one of these preferred providers, the combined company may lose market share in some of the markets in which it competes.

There is substantial and continuing pressure on major original equipment manufacturers and larger distributors to reduce costs, including the cost of products purchased from outside suppliers. As a result of cost pressures from customers, Altra's and the A&S Business's ability to compete depends in part on their ability to generate production cost savings and, in turn, to find reliable, cost effective outside suppliers to source components or manufacture their products. If the combined company is unable to generate sufficient cost savings in the future to offset price reductions, then its gross margin could be materially adversely affected.

### ***The combined company's operating results could be negatively affected during economic downturns.***

Global economic and financial market conditions have been weak and/or volatile in recent years, and those conditions have adversely affected the operations of Altra and the A&S Business and are expected to continue to

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adversely affect the operations of Altra and the A&S Business. A weakening of current conditions or a future downturn may adversely affect the combined company's future results of operations and financial condition. Weak, challenging or volatile economic conditions in the end-markets, businesses or geographic areas in which the combined company sells its products could reduce demand for products and result in a decrease in sales volume for a prolonged period of time, which would have a negative impact on the combined company's future results of operations.

***International economic, political, legal, compliance and business factors could negatively affect the financial statements, operations and growth of the combined company.***

Altra and the A&S Business derive significant sales from customers outside the United States and certain manufacturing operations, suppliers and employees of Altra and the A&S Business are located outside the United States. Altra expects the combined company to continue to increase its sales and presence outside the United States, particularly in high-growth markets. The international business of Altra and the A&S Business (and particularly their respective businesses in high-growth markets) is subject to risks associated with doing business internationally, and Altra's future results could be materially adversely affected by a variety of factors, including:

fluctuations in currency exchange rates;

exchange rate controls;

tariffs or other trade protection measures and import or export licensing requirements;

potentially negative consequences from changes in tax laws;

interest rates;

unexpected changes in regulatory requirements;

changes in foreign intellectual property law;

differing labor regulations;

requirements relating to withholding taxes on remittances and other payments by subsidiaries;

restrictions on Altra's ability to own or operate subsidiaries, make investments or acquire new businesses in various jurisdictions;



potential political instability and the actions of foreign governments; and

restrictions on Altra's ability to repatriate dividends from its subsidiaries.

In addition, the international operations of Altra and the A&S Business are governed by various U.S. laws and regulations, including the Foreign Corrupt Practices Act and other similar laws that prohibit Altra, the A&S Business and their respective business partners from making improper payments or offers of payment to foreign governments and their officials and political parties for the purpose of obtaining or retaining business. Any alleged or actual violations of these regulations may subject Altra and the A&S Business to government scrutiny, severe criminal or civil sanctions and other liabilities.

As Altra continues to expand the combined company's business globally, its success will depend, in large part, on its ability to anticipate and effectively manage these and other risks associated with its international operations. However, any of these factors could materially adversely affect the combined company's international operations and, consequently, its operating results.

***Adverse conditions in the credit and capital markets may limit or prevent the combined company's ability to borrow or raise capital.***

While Altra believes it has and will continue to have facilities in place that should allow the combined company to borrow funds as needed to meet its ordinary course business activities, adverse conditions in the

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credit and financial markets could prevent the combined company from obtaining financing, if the need arises. The combined company's ability to invest in its businesses and refinance or repay maturing debt obligations could require access to the credit and capital markets and sufficient bank credit lines to support cash requirements. If the combined company is unable to access the credit and capital markets on commercially reasonable terms, the combined company could experience a material adverse effect on its business, financial position or results of operations.

***Altra and the A&S Business rely on independent distributors and the loss of these distributors could adversely affect the combined company's business.***

In addition to a direct sales force and manufacturer sales representatives, Altra depends on the services of independent distributors to sell its products and provide service and aftermarket support to its customers. Altra supports an extensive distribution network, with over 3,000 distributor locations worldwide. During the year ended December 31, 2017, approximately 26% of Altra's net sales from continuing operations were generated through independent distributors. In particular, sales through Altra's largest distributor accounted for approximately 6% of Altra's net sales for the year ended December 31, 2017. Almost all of the distributors with whom Altra transacts business offer competitive products and services to Altra's customers. In addition, the distribution agreements Altra has are typically non-exclusive and cancelable by the distributor after a short notice period. The A&S Business uses similar channels to sell its products and provide service and aftermarket support to its customers. The loss of any major distributor or a substantial number of smaller distributors or an increase in the distributors' sales of Altra's and the A&S Business's competitors' products to Altra's and the A&S Business's customers could materially reduce the combined company's sales and profits.

***The combined company must continue to invest in new technologies and manufacturing techniques; however, its ability to develop or adapt to changing technology and manufacturing techniques is uncertain and its failure to do so could place the combined company at a competitive disadvantage.***

The successful implementation of Altra's business strategy for the combined company requires it to invest continuously in new technologies and manufacturing techniques to evolve its existing products and introduce new products to meet its customers' needs in the industries it serves and wants to serve. The combined company's products are characterized by performance and specification requirements that mandate a high degree of manufacturing and engineering expertise. Altra believes that its customers and those of the A&S Business rigorously evaluate their suppliers on the basis of a number of factors, including:

product quality and availability;

price competitiveness;

technical expertise and development capability;

reliability and timeliness of delivery;

product design capability;

manufacturing expertise; and

sales support and customer service.

The combined company's success depends on its ability to invest in new technologies and manufacturing techniques to continue to meet its customers' changing demands with respect to the above factors. The combined company may not be able to make required capital expenditures and, even if the combined company does so, the combined company may be unsuccessful in addressing technological advances or introducing new products necessary to remain competitive within its markets. Furthermore, the combined company's technological developments may not be able to produce a sustainable competitive advantage. If the combined company fails to invest successfully in improvements to its technology and manufacturing techniques, its business may be materially adversely affected.

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***Altra and the A&S Business rely on estimated forecasts of their original equipment manufacturer customers' needs, and inaccuracies in such forecasts could materially adversely affect the combined company's business.***

Altra and the A&S Business generally sell their products pursuant to individual purchase orders instead of under long-term purchase commitments. Therefore, Altra and the A&S Business rely on estimated demand forecasts, based upon input from their customers, to determine how much material to purchase and product to manufacture. Because Altra's and the A&S Business's sales are based on purchase orders, their customers may cancel, delay or otherwise modify their purchase commitments with little or no consequence to them and with little or no notice to Altra or the A&S Business. For these reasons, Altra and the A&S Business generally have limited visibility regarding their customers' actual product needs. The quantities or timing required by Altra's and the A&S Business's customers for their products could vary significantly. Whether in response to changes affecting the industry or a customer's specific business pressures, any cancellation, delay or other modification in Altra's or the A&S Business's customers' orders could significantly reduce the combined company's revenue, impact its working capital, cause its operating results to fluctuate from period to period and make it more difficult for the combined company to predict its revenue. In the event of a cancellation or reduction of an order, the combined company may not have enough time to reduce operating expenses to minimize the effect of the lost revenue on its business and the combined company may purchase too much inventory and spend more capital than expected, which may materially adversely affect its business.

From time to time, the combined company's customers may experience deterioration of their businesses. In addition, during periods of economic difficulty, the combined company's customers may not be able to accurately estimate demand forecasts and may scale back orders in an abundance of caution. As a result, existing or potential customers may delay or cancel plans to purchase the combined company's products and may not be able to fulfill their obligations to the combined company in a timely fashion. Such cancellations, reductions or inability to fulfill obligations could significantly reduce the combined company's revenue, impact its working capital, cause its operating results to fluctuate adversely from period to period and make it more difficult for the combined company to predict its revenue.

***The combined company's inability to efficiently utilize or renegotiate minimum purchase requirements in certain supply agreements could decrease its profitability.***

The combined company's ability to maintain and expand its business depends, in part, on its ability to continue to obtain raw materials and component parts on favorable terms from various suppliers. Agreements with some of the combined company's suppliers contain minimum purchase requirements. Neither Altra nor the A&S Business can give any assurance that the combined company will be able to utilize the minimum amount of raw materials or component parts that it is required to purchase under certain supply agreements which contain minimum purchase requirements. If the combined company is required to purchase more raw materials or component parts than it is able to utilize in the operation of its business, the costs of providing their respective products would likely increase, which could decrease the combined company's profitability and have a material adverse effect on the combined company's business, financial condition and results of operations.

***Disruption of the combined company's supply chain could have an adverse effect on its business, financial condition and results of operations.***

Altra's and the A&S Business's ability, including manufacturing or distribution capabilities, and that of their respective suppliers, business partners and contract manufacturers, to make, move and sell products is critical to the combined company's success. Damage or disruption to Altra's, the A&S Business's or their respective suppliers' manufacturing or distribution capabilities due to weather, natural disaster, fire or explosion, terrorism, pandemics, strikes, repairs or enhancements at Altra's, the A&S Business's or their suppliers' facilities, excessive demand, raw material shortages, or other reasons, could impair the combined company's ability, and that of its suppliers, to manufacture or sell the

combined company's products. Failure to take adequate steps to mitigate the likelihood or potential impact of such events, or to effectively manage such events

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if they occur, could adversely affect the combined company's business, financial condition and results of operations, as well as require additional resources to restore the combined company's supply chain.

***The materials used to produce the combined company's products are subject to price fluctuations that could increase costs of production and adversely affect its profitability.***

The materials used to produce the combined company's products, especially electronic components, aluminum, rare-earth magnets, plastics, copper and steel, are sourced on a global or regional basis, and the prices of those materials are susceptible to price fluctuations due to supply and demand trends, transportation costs, government regulations and tariffs, changes in currency exchange rates, price controls, the economic climate and other unforeseen circumstances. If the combined company is unable to continue to pass a substantial portion of such price increases on to its customers on a timely basis, its future profitability may be materially adversely affected. In addition, passing through these costs to the combined company's customers may also limit the combined company's ability to increase its prices in the future.

***Altra and the A&S Business face potential liability claims relating to products they manufacture or distribute, which could result in the combined company having to expend significant time and expense to defend these claims and to pay material damages or settlement amounts.***

Altra and the A&S Business face a business risk of exposure to product liability claims in the event that the use of their respective products is alleged to have resulted in injury or other adverse effects. Altra and the A&S Business currently have several product liability claims against them with respect to their products. Altra may not be able to obtain product liability insurance for the combined company on acceptable terms in the future, if at all, or obtain insurance that will provide adequate coverage against potential claims. Product liability claims can be expensive to defend and can divert the attention of management and other personnel for long periods of time, regardless of the ultimate outcome. An unsuccessful product liability defense could exceed any insurance that Altra maintains for the combined company and could have a material adverse effect on its business, financial condition, results of operations or its ability to make payments under the combined company's debt obligations when due. In addition, Altra believes its business depends on the strong brand reputations it and the A&S Business have developed. In the event that Altra's and the A&S Business's reputations are damaged, the combined company may face difficulty in maintaining its pricing positions with respect to some of its products, which would reduce its sales and profitability.

The combined company also risks exposure to product liability claims in connection with products sold by businesses that it acquires. Altra cannot assure you that third parties that have retained responsibility for product liabilities relating to products manufactured or sold prior to the combined company's acquisition of the relevant business or persons from whom it has acquired a business that are required to indemnify the combined company for certain product liability claims subject to certain caps or limitations on indemnification will in fact satisfy their obligations to the combined company with respect to liabilities retained by them or their indemnification obligations. If those third parties become unable to or otherwise do not comply with their respective obligations, including indemnity obligations, or if certain product liability claims for which the combined company is obligated were not retained by third parties or are not subject to these indemnities, the combined company could become subject to significant liabilities or other adverse consequences. Moreover, even in cases where third parties retain responsibility for product liabilities or are required to indemnify the combined company, significant claims arising from products that the combined company has acquired could have a material adverse effect on the combined company's ability to realize the benefits from an acquisition, could result in the combined company reducing the value of goodwill that it has recorded in connection with an acquisition, or could otherwise have a material adverse effect on the combined company's business, financial condition, or operations.



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***Altra and the A&S Business may be subject to litigation for a variety of claims, which could adversely affect the combined company's business, financial condition or results of operations.***

In addition to product liability claims and securities class action litigation, which has often been brought against a company following a decline in the market price of its securities, Altra, the A&S Business and the directors and officers of the combined company may be subject to claims arising from normal business activities. These may include claims, suits and proceedings involving stockholder and fiduciary matters, intellectual property, labor and employment, wage and hour, commercial and other matters. The outcome of any litigation, regardless of its merits, is inherently uncertain. Any claims and lawsuits, and the disposition of such claims and lawsuits, could be time-consuming and expensive to resolve, divert management attention and resources, and lead to attempts on the part of other parties to pursue similar claims. Any adverse determination related to litigation or settlement or other resolution of a legal matter could adversely affect the combined company's business, financial condition or results of operations, harm its reputation or otherwise negatively impact its business.

***Altra and the A&S Business may be subject to work stoppages at their facilities, or their customers may be subjected to work stoppages, which could seriously impact the combined company's operations and the profitability of its business.***

As of December 31, 2017, Altra had approximately 4,580 full-time employees, of whom approximately 43% were located in North America (primarily in the United States), 42% in Europe, and 15% in Asia and the rest of the world, and the A&S Business employed approximately 4,750 persons, of whom approximately 40% were located in the United States and approximately 60% were employed outside the United States. Approximately 9% of Altra's full-time factory U.S. employees are represented by labor unions. In addition, approximately 1,332 employees, or 82% of Altra's European employees, are represented by labor unions or works councils. Approximately 45 employees in the Lamiflex production facilities in Brazil are represented by a works council. Additionally, approximately 79 employees in the TB Wood's production facility in Mexico are unionized under a collective bargaining agreement that is subject to annual renewals. Of the A&S Business's U.S. employees, approximately 17% were hourly rated, unionized employees.

Altra is a party to three U.S. collective bargaining agreements. The agreements will expire in November 2019, June 2020 and February 2021. Altra is also party to a collective bargaining agreement with approximately 42 union employees at its Toronto, Canada manufacturing facility. That agreement will expire in July 2018. Altra may be unable to renew these agreements on terms that are satisfactory to it, if at all. One of the three U.S. collective bargaining agreements contains provisions for additional, potentially significant, lump-sum severance payments to all employees covered by that agreement who are terminated as the result of a plant closing, and one of Altra's collective bargaining agreements contains provisions restricting its ability to terminate or relocate operations. Altra's facilities in Europe and Brazil have employees who are generally represented by local or national social works councils. Social works councils meet with employer industry associations periodically to discuss employee wages and working conditions. Altra's facilities in Denmark, France, Germany, Slovakia, and Brazil often participate in such discussions and adhere to any agreements reached.

The A&S Business is currently party to four U.S. collective bargaining agreements. The agreements will expire in January 2019, April 2019, September 2020 and November 2020. The A&S Business may be unable to renew these agreements on terms that are satisfactory to it, if at all. Three of the four U.S. collective bargaining agreements contain provisions for potentially significant severance payments to any employees covered by the agreements who have their employment terminated as a result of a plant closing. Additionally, three of the four U.S. collective bargaining agreements require the payment of potentially significant vacation accruals upon qualifying separations from employment. Outside the United States, the A&S Business has government-mandated collective bargaining



arrangements and union contracts in certain countries, particularly in Europe where certain of its employees are represented by unions and/or works councils.

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If the combined company's unionized workers or those represented by a works council were to engage in a strike, work stoppage or other slowdown in the future, the combined company could experience a significant disruption of its operations. Such disruption could interfere with the combined company's ability to deliver products on a timely basis and could have other negative effects, including decreased productivity and increased labor costs. In addition, if a greater percentage of the combined company's work force becomes unionized, the combined company's business and financial results could be materially adversely affected. Many of the combined company's direct and indirect customers have unionized work forces. Strikes, work stoppages or slowdowns experienced by these customers or their suppliers could result in slowdowns or closures of assembly plants where the combined company's products are used and could cause cancellation of purchase orders with the combined company or otherwise result in reduced revenues from these customers.

### ***Changes in employment laws could increase the combined company's costs and may adversely affect its business.***

Various federal, state and international labor laws govern its relationship with employees and affect operating costs. These laws include minimum wage requirements, overtime, unemployment tax rates, workers' compensation rates paid, leaves of absence, mandated health and other benefits, and citizenship requirements. Significant additional government-imposed increases or new requirements in these areas could materially affect the combined company's business, financial condition, operating results or cash flow.

In the event the combined company's employee-related costs rise significantly, the combined company may have to curtail the number of its employees or shut down certain manufacturing facilities. Any such actions would not only be costly but could also materially adversely affect its business.

### ***Altra depends on the services of key executives, the loss of whom could materially harm its business.***

Altra's senior executives are important to its success because they are instrumental in setting its strategic direction, operating its business, maintaining and expanding relationships with distributors, identifying, recruiting and training key personnel, identifying expansion opportunities, executing merger and acquisition transactions and arranging necessary financing. Losing the services of any of these individuals could adversely affect its business until a suitable replacement could be found. Altra believes that its senior executives could not easily be replaced with executives of equal experience and capabilities, but it cannot prevent its key executives from terminating their employment with Altra. Altra does not maintain key person life insurance policies on any of its executives.

### ***If the combined company loses certain of its key sales, marketing or engineering personnel, its business may be adversely affected.***

Altra's success depends on its ability to recruit, retain and motivate highly skilled sales, marketing and engineering personnel. Competition for these persons in the power transmission and motion control industries is intense and Altra may not be able to successfully recruit, train or retain qualified personnel. If Altra fails to retain and recruit the necessary personnel, the combined company's business and its ability to obtain new customers, develop new products and provide acceptable levels of customer service could suffer. If certain of these key personnel were to terminate their employment with Altra and the A&S Business, the combined company may experience difficulty replacing them, and its business could be harmed.

### ***Altra and the A&S Business are subject to environmental laws that could impose significant costs on the combined company and the failure to comply with such laws could subject the combined company to sanctions and material fines and expenses.***

Altra and the A&S Business are subject to a variety of federal, state, local, foreign and provincial environmental laws and regulations, including those governing the discharge of pollutants into the air or water,

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the management and disposal of hazardous substances and wastes and the responsibility to investigate and clean up contaminated sites that are or were owned, leased, operated or used by Altra, the A&S Business or their respective predecessors. Some of these laws and regulations require Altra and the A&S Business to obtain permits, which contain terms and conditions that impose limitations on their respective ability to emit and discharge hazardous materials into the environment and periodically may be subject to modification, renewal and revocation by issuing authorities. Fines and penalties may be imposed for non-compliance with applicable environmental laws and regulations and the failure to have or to comply with the terms and conditions of required permits. From time to time, the combined company's operations may not be in full compliance with the terms and conditions of its permits. The operation of manufacturing plants entails risks related to compliance with environmental laws, requirements and permits, and a failure by Altra and the A&S Business to comply with applicable environmental laws, regulations or permits could result in civil or criminal fines, penalties, enforcement actions, third party claims for property damage and personal injury, requirements to clean up property or to pay for the costs of clean up, or regulatory or judicial orders enjoining or curtailing operations or requiring corrective measures, including the installation of pollution control equipment or remedial actions. Moreover, if applicable environmental laws and regulations, or the interpretation or enforcement thereof, become more stringent in the future, the combined company could incur capital or operating costs beyond those currently anticipated.

Certain environmental laws in the United States, such as the federal Superfund law and similar state laws, impose liability for the cost of investigation or remediation of contaminated sites upon the current or, in some cases, the former site owners or operators and upon parties who arranged for the disposal of wastes or transported or sent those wastes to an off-site facility for treatment or disposal, regardless of when the release of hazardous substances occurred or the lawfulness of the activities giving rise to the release. Such liability can be imposed without regard to fault and, under certain circumstances, can be joint and several, resulting in one party being held responsible for the entire obligation. As a practical matter, however, the costs of investigation and remediation generally are allocated among the viable responsible parties on some form of equitable basis. Liability also may include damages to natural resources. In addition, from time to time, Altra and the A&S Business are notified that each is a potentially responsible party and may have liability in connection with off-site disposal facilities. There can be no assurance that the combined company will be able to resolve pending and future matters relating to off-site disposal facilities at all or for nominal sums.

There is contamination at some of Altra's and the A&S Business's current facilities, primarily related to historical operations at those sites, for which the combined company could be liable for the investigation and remediation under certain environmental laws. The potential for contamination also exists at other of Altra's and the A&S Business's current or former sites, based on historical uses of those sites. The combined company's costs or liability in connection with potential contamination conditions at its facilities cannot be predicted at this time because the potential existence of contamination has not been investigated or not enough is known about the environmental conditions or likely remedial requirements. Currently, with respect to certain of Altra's and the A&S Business's facilities, other parties with contractual liability are addressing or have plans or obligations to address those contamination conditions that may pose a material risk to human health, safety or the environment. In addition, there may be environmental conditions currently unknown to Altra and the A&S Business relating to their respective prior, existing or future sites or operations or those of predecessor companies whose liabilities the combined company may have assumed or acquired which could have a material adverse effect on its business.

Altra and the A&S Business are being indemnified, or expect to be indemnified, by third parties subject to certain caps or limitations on the indemnification, for certain environmental costs and liabilities associated with certain owned or operated sites. Altra cannot assure you that third parties who indemnify or who are expected to indemnify Altra and the A&S Business for certain environmental costs and liabilities associated with certain owned or operated sites will in fact satisfy their indemnification obligations. If those third parties become unable to, or otherwise do not, comply

with their respective indemnity obligations, or if certain contamination or other

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liability for which Altra and the A&S Business are obligated is not subject to these indemnities, the combined company could become subject to significant liabilities.

***Altra may not be able to protect its or the A&S Business's intellectual property rights, brands or technology effectively, which could allow competitors to duplicate or replicate the combined company's technology and could adversely affect the combined company's ability to compete.***

Altra and the A&S Business rely on a combination of patent, trademark, copyright and trade secret laws in the United States and other jurisdictions, as well as on license, non-disclosure, employee and consultant assignment and other agreements and domain names registrations in order to protect their respective proprietary technology and rights. Applications for protection of the combined company's intellectual property rights may not be allowed, and the rights, if granted, may not be maintained. In addition, third parties may infringe or challenge Altra's and the A&S Business's intellectual property rights. In some cases, Altra and the A&S Business rely on unpatented proprietary technology. It is possible that others will independently develop the same or similar technology or otherwise obtain access to Altra's and the A&S Business's unpatented technology. In addition, in the ordinary course of Altra's operations, Altra pursues potential claims from time to time relating to the protection of certain products and intellectual property rights, including with respect to some of its more profitable products. Such claims could be time-consuming, expensive and divert resources. If Altra is unable to maintain the proprietary nature of its and the A&S Business's technologies or proprietary protection of its and the A&S Business's brands, the combined company's ability to market or be competitive with respect to some or all of its products may be affected, which could reduce its sales and profitability.

***The combined company or its products could infringe on the intellectual property of others, which may cause it to engage in costly litigation and, if the combined company is not successful, could cause the combined company to pay substantial damages and prohibit it from selling its products.***

Third parties may assert infringement or other intellectual property claims against the combined company based on their patents or other intellectual property claims, and the combined company may have to pay substantial damages, possibly including treble damages, if it is ultimately determined that the combined company's products infringe. The combined company may have to obtain a license to sell its products if it is determined that its products infringe upon another party's intellectual property. The combined company might be prohibited from selling its products before it obtains a license, which, if available at all, may require it to pay substantial royalties. Even if infringement claims against the combined company are without merit, defending these types of lawsuits takes significant time, may be expensive and may divert management attention from other business concerns.

***Goodwill and indefinite-lived intangibles comprise a significant portion of Altra's stand-alone total assets and will comprise a significant portion of the combined company's total assets, and if Altra determines that goodwill or indefinite-lived intangibles become impaired in the future, the combined company's net income in such years may be materially and adversely affected.***

Goodwill represents the excess of cost over the fair market value of net assets acquired in business combinations. The proposed Transactions will add approximately \$3.1 billion of goodwill and other intangible assets to Altra's consolidated balance sheet. Due to the acquisitions Altra has completed historically, goodwill comprises a significant portion of its total assets. In addition, indefinite-lived intangibles, primarily tradenames and trademarks, comprise a significant portion of its total assets. Altra reviews goodwill and indefinite-lived intangibles annually for impairment and any excess in carrying value over the estimated fair value is charged to the results of operations. Future reviews of goodwill and indefinite-lived intangibles could result in future reductions. Any reduction in net income resulting from the write down or impairment of goodwill and indefinite-lived intangibles could adversely affect Altra's financial results. If economic conditions deteriorate Altra may be required to impair goodwill and indefinite-lived intangibles in

future periods.

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***Unplanned repairs or equipment outages could interrupt production and reduce income or cash flow.***

Unplanned repairs or equipment outages, including those due to natural disasters, could result in the disruption of the combined company's manufacturing processes. Any interruption in the combined company's manufacturing processes would interrupt its production of products, reduce its income and cash flow and could result in a material adverse effect on its business and financial condition.

***Altra's and the A&S Business's operations are highly dependent on information technology infrastructure and failures could significantly affect the combined company's business.***

Altra and the A&S Business depend heavily on their information technology (IT) infrastructure in order to achieve their business objectives. If Altra or the A&S Business experiences a problem that impairs this infrastructure, such as a computer virus, a problem with the functioning of an important IT application or an intentional disruption of its IT systems by a third party, the resulting disruptions could impede the combined company's ability to record or process orders, manufacture and ship in a timely manner, or otherwise carry on its business in the ordinary course. Any such events could cause the combined company to lose customers or revenue and could require the combined company to incur significant expense to eliminate these problems and address related security concerns.

Computer viruses, malware and other hacking programs and devices (hacking events) expose the combined company to risk of theft of assets including cash. Any such event could require the combined company to incur significant expense to eliminate these problems and address related security concerns. Hacking events may also cause significant damage, delays or interruptions to the combined company's systems and operations or to certain of the products that the combined company sells resulting in damage to its reputation and brand names.

Additionally, hacking events may attack the combined company's infrastructure, industrial machinery, software or hardware, causing significant damage, delays or other service interruptions to its systems and operations. Hacking involves efforts to gain unauthorized access to information or systems or to cause intentional malfunctions, loss or corruption of data, software, hardware or other computer equipment. In addition, increasingly sophisticated malware may target real-world infrastructure or product components, including certain of the products that Altra and the A&S Business currently sell or may in the future sell by attacking, disrupting, reconfiguring and/or reprogramming industrial control software. Hacking events could result in significant damage to the combined company's infrastructure, industrial machinery, systems or databases. The combined company may incur significant costs to protect its systems and equipment against the threat of, and to repair any damage caused by, computer viruses and hacking events. Moreover, if hacking events affect the combined company's systems or products, its reputation and brand names could be materially damaged and use of its products may decrease.

***If Altra is unable to successfully implement its Enterprise Resource Planning system across Altra or such implementation is delayed, its operations may be disrupted or become less efficient.***

Altra is in the process of implementing an Enterprise Resource Planning system entitled SAP worldwide, with the aim of enabling management to achieve better control over Altra through: improved quality, reliability and timeliness of information; improved integration and visibility of information stemming from different management functions and countries; and optimization and global management of corporate processes. The adoption of the SAP system, which replaces the existing accounting and management systems, poses several challenges relating to, among other things, training of personnel, communication of new rules and procedures, changes in corporate culture, migration of data, and the potential instability of the new system. In order to mitigate the impact of such critical issues, Altra decided to implement the SAP system on a step-by-step basis, both geographically and in terms of processes. If the remaining implementation of the SAP system is delayed, in whole or in part, Altra would continue to use its current systems



which may not be sufficient to support its planned operations, and significant upgrades to the current systems may be warranted or required to meet its

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business needs pending SAP implementation. In addition, Altra relies on third-party vendors to provide long-term software maintenance support and hosting services for its information systems. Software vendors may decide to discontinue further development, integration or long-term software maintenance support for Altra's information systems, which may increase Altra's operational expense as well as disrupt the management of its business operations. In addition, Altra does not control the operation of any third-party hosting facilities. These facilities are vulnerable to damage or interruption from natural disasters, fires, power loss, telecommunications failures and similar events. They are also subject to break-ins, computer viruses, sabotage, intentional acts of vandalism and other misconduct. The occurrence of any of these disasters or other unanticipated problems with Altra's third-party hosting vendors could disrupt the management of, and have a material adverse effect on, Altra's business operations. However, there can be no assurance that the new SAP system will be successfully implemented and failure to do so could have a material adverse effect on Altra's operations.

***Altra faces risks associated with its exposure to variable interest rates and foreign currency exchange rates.***

Altra is exposed to various types of market risk in the normal course of business, including the impact of interest rate changes and foreign currency exchange rate fluctuations. Some of its indebtedness, including indebtedness incurred under the Altra Term Loan B Facility and Altra Revolving Credit Facility, bears interest at variable rates, generally linked to market benchmarks such as LIBOR. Any increase in interest rates would increase Altra's finance expenses relating to its variable rate indebtedness and increase the costs of refinancing its existing indebtedness and issuing new debt. A portion of Altra's indebtedness is also euro-denominated. In addition, Altra conducts its business and incurs costs in the local currency of the countries in which it operates. As Altra continues expanding its business into markets such as Europe, China, Australia, India and Brazil, it expects that an increasing percentage of its revenue and cost of sales will be denominated in currencies other than the U.S. dollar, Altra's reporting currency. As a result, Altra is subject to currency translation risk, whereby changes in exchange rates between the dollar and the other currencies in which Altra borrows and does business could result in foreign exchange losses and have a material adverse effect on its results of operations.

***Altra is exposed to swap counterparty credit risk that could materially and adversely affect its business, operating results and financial conditions.***

From time to time, Altra relies on interest rate swap contracts and cross-currency swap contracts and hedging arrangements to effectively manage its interest rate risk. Failure to perform under derivatives contracts by one or more of Altra's counterparties could disrupt its hedging operations, particularly if Altra were entitled to a termination payment under the terms of the contract that it did not receive, if Altra had to make a termination payment upon default of the counterparty or if Altra were unable to reposition the swap with a new counterparty.

***Altra is subject to tax laws and regulations in many jurisdictions, and the inability to successfully defend claims from taxing authorities related to its current or acquired businesses could adversely affect its operating results and financial position.***

Altra conducts business in many countries, which requires it to interpret the income tax laws and rulings in each of those taxing jurisdictions. Due to the subjectivity of tax laws between those jurisdictions as well as the subjectivity of factual interpretations, Altra estimates of income tax liabilities may differ from actual payments or assessments. Claims from taxing authorities related to these differences could have an adverse impact on Altra's operating results and financial position. Moreover, changes to tax laws and regulations in the United States or other countries where Altra does business could have an adverse effect on its operating results and financial position.

***Tax reform may significantly affect the combined company and its stockholders.***

On December 22, 2017, President Trump signed into law the Tax Cuts and Jobs Act ( TCJA ), which significantly reforms the Code. The TCJA, among other things, includes changes to U.S. federal tax rates,

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including reduction of the corporate tax rate from a top marginal rate of 35% to a flat rate of 21%, limitations of the tax deduction for interest expense to 30% of adjusted earnings (except for certain small businesses), limitations of the deduction for net operating losses to 80% of current year taxable income and elimination of net operating loss carrybacks, one time taxation of offshore earnings at reduced rates regardless of whether they are repatriated, elimination of U.S. tax on foreign earnings (subject to certain important exceptions), immediate deductions for certain new investments instead of deductions for depreciation expense over time, modifying or repealing many business deductions and credits and putting into effect the migration from a worldwide system of taxation to a territorial system. Notwithstanding the reduction in the corporate income tax rate, the overall impact of the new federal tax law is uncertain and the combined company's business and financial condition could be adversely affected. In addition, it is uncertain if and to what extent various states will adjust their policies in response to the newly enacted federal tax law. The impact of this tax reform as well as other tax laws and regulations in the United States or other countries where the combined company does business on holders of its common stock and its operating results and financial position is uncertain and could be adverse.

***Certain of Altra's businesses are exposed to renewable energy markets which depend significantly on the availability and size of government subsidies and economic incentives.***

Certain of Altra's businesses sell product to customers within the renewable energy market, which among other energy sources includes wind energy and solar energy. This market is inherently cyclical and can be impacted by governmental policy, the comparative cost differential between various forms of energy, and the general macroeconomic climate.

At present, the cost of many forms of renewable energy may exceed the cost of conventional power generation in locations around the world. Various governments have used different policy initiatives to encourage or accelerate the development and adoption of renewable energy sources such as wind energy and solar energy. Renewable energy policies are in place in the European Union, certain countries in Asia, including China, Japan, India and South Korea, and many of the states in Australia and the United States. Examples of government-sponsored financial incentives include capital cost rebates, feed-in tariffs, tax credits, net metering and other incentives to end-users, distributors, system integrators and manufacturers of renewable energy products to promote the use of renewable energy and to reduce dependency on other forms of energy. Governments may decide to reduce or eliminate these economic incentives for political, financial or other reasons. Reductions in, or eliminations of, government subsidies and economic incentives could reduce demand for Altra's products and, as Altra's customers attempt to compete on a level playing field with other forms of nonrenewable energy, also increase pressure to reduce cost throughout the supply chain. Lower demand or increased pricing pressure could adversely affect Altra's business prospects and results of operations.

***Regulations related to conflict minerals could adversely impact the combined company's business.***

The Dodd-Frank Wall Street Reform and Consumer Protection Act contains provisions to improve transparency and accountability concerning the supply of certain minerals, known as conflict minerals, originating from the Democratic Republic of Congo ( DRC ) and adjoining countries. As a result, in August 2012 the SEC adopted annual disclosure and reporting requirements for those companies who use conflict minerals mined from the DRC and adjoining countries in their products. These new requirements required country of origin inquiries and potentially due diligence, with initial disclosure requirements beginning in May 2014 relating to activities in 2013. There have been and will continue to be costs associated with complying with these disclosure requirements, including for country of origin inquiries and due diligence to determine the sources of conflict minerals used in the combined company's products and other potential changes to products, processes or sources of supply as a consequence of such verification activities. These rules could adversely affect the sourcing, supply and pricing of materials used in the combined company's

products. As there may be only a limited number of suppliers offering conflict free conflict minerals, the combined company cannot be sure that it will be able to obtain necessary conflict minerals from such suppliers in sufficient quantities or at competitive prices. Also, the combined company may face reputational challenges if it determines that certain of its products

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contain minerals not determined to be conflict free or if the combined company is unable to verify sufficiently the origins for all conflict minerals used in its products through the procedures it has implemented.

***Altra may not be able to achieve the efficiencies, savings and other benefits anticipated from its cost reduction, margin improvement and other business optimization initiatives.***

Altra has in the past undertaken and expects to continue to undertake various restructuring activities and cost reduction initiatives in an effort to better align its organizational structure and costs with its strategy. Altra cannot assure you that it will be able to achieve all of the cost savings that it expects to realize from current or future activities and initiatives. Furthermore, in connection with these activities, Altra may experience a disruption in its ability to perform functions important to its strategy. Unexpected delays, increased costs, challenges with adapting its internal control environment to a new organizational structure, inability to retain and motivate employees or other challenges arising from these initiatives could adversely affect its ability to realize the anticipated savings or other intended benefits of these activities and could have a material adverse impact on its financial condition and operating results.

***The uncertainty surrounding the implementation and effect of Brexit and related negative developments in the European Union could adversely affect the combined company's business and financial results. The vote by the United Kingdom to leave the European Union could adversely affect the combined company.***

In a Referendum of the United Kingdom held on June 23, 2016, the United Kingdom voted to leave the European Union (referred to as "Brexit" or "Brexit Referendum"), which could cause disruptions to and create uncertainty surrounding the combined company's business, including affecting its relationships with the combined company's existing and future customers, suppliers and employees, which could have an adverse effect on its business, financial results and operations. The formal process for the United Kingdom leaving the European Union began in March 2017, when the United Kingdom served notice to the European Council under Article 50 of the Treaty of Lisbon. The long-term nature of the United Kingdom's relationship with the European Union is unclear and there is considerable uncertainty when any relationship will be agreed to and implemented. The political and economic instability created by Brexit has caused and may continue to cause significant volatility in global financial markets and uncertainty regarding the regulation of data protection in the United Kingdom. Brexit could also have the effect of disrupting the free movement of goods, services and people between the United Kingdom, the European Union and elsewhere. The effects of Brexit will depend on any agreements the United Kingdom makes to retain access to European Union markets either during a transitional period or more permanently. The measures could potentially disrupt the markets the combined company serves and the tax jurisdictions in which the combined company operates and adversely change tax benefits or liabilities in these or other jurisdictions, and may cause the combined company to lose customers, suppliers and employees. In addition, Brexit could lead to legal uncertainty and potentially divergent national laws and regulations as the United Kingdom determines which European Union laws to replace or replicate. Further, in the Brexit Referendum, Scotland voted to remain in the European Union, while England and Wales voted to exit. The disparity has renewed the Scottish independence movement. Scottish leaders have publicly stated that a second independence referendum will not be held until after the terms of the Brexit are clear; however, plans may change. Political issues and a potential breakup of the United Kingdom could create legal and economic uncertainty in the region and have a material adverse effect on the combined company and other economies in which it operates. There can be no assurance that any or all of these events will not have a material adverse effect on the combined company's business operations, results of operations and financial condition.

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**CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS**

This prospectus (including information included or incorporated by reference herein) contains certain statements relating to future events and each of Fortive's, Newco's and Altra's intentions, beliefs, expectations and predictions for the future, including, but not limited to, statements concerning future business conditions and prospects, growth opportunities and estimates of growth, the outlook for each of Fortive's, Newco's and Altra's business, the expected benefits of the Transactions, integration plans and expected synergies therefrom and the expected timing of consummation of the Transactions described in this prospectus based upon information currently available. Any such statements, other than statements of historical fact, are forward-looking statements. Wherever possible, these forward-looking statements have been identified by words such as will, may, anticipates, believes, intends, expects, projects, plans, targets, forecasts, and similar phrases. These forward-looking statements are based upon current assumptions and expectations of each of Fortive's, Newco's and Altra's management. Such forward-looking statements are subject to risks and uncertainties that could cause each of Fortive's, Newco's and Altra's actual results, performance and achievements to differ materially from those expressed in, or implied by, these statements included in this document. These risks and uncertainties include risks relating to:

Altra's ability to obtain requisite stockholder approval to complete the Transactions;

Fortive being unable to obtain the IRS Ruling and other regulatory approvals required to complete the Transactions, or such required approvals delaying the Transactions or resulting in the imposition of conditions that could have a material adverse effect on the combined company or causing the companies to abandon the Transactions;

other conditions to the closing of the Transactions not being satisfied;

a material adverse change, event or occurrence affecting Altra or the A&S Business prior to the closing of the Transactions delaying the Transactions or causing the companies to abandon the Transactions;

problems arising in successfully integrating the A&S Business and Altra, which may result in the combined company not operating as effectively and efficiently as expected;

Altra's ability to achieve the synergies expected to result from the Transactions in the estimated amounts and within the anticipated time frame, if at all;

the possibility that the Transactions may involve other unexpected costs, liabilities or delays;

the possibility that there may be delays in consummating the Transactions, or the Transactions may not be consummated at all;

the possibility that the failure to complete the Transactions could adversely affect the market price of Fortive or Altra common stock as well as each of Fortive's, Newco's and Altra's business, financial condition and results of operations;

the possibility that if completed, the Transactions may not be successful or achieve their anticipated benefits;

the businesses of each respective company being negatively impacted as a result of uncertainty surrounding the Transactions;

disruptions from the Transactions harming relationships with customers, employees or suppliers;

dependence upon broad-based acceptance of the combined company's products and services;

the presence of competitors with greater financial resources than the combined company and their strategic response to the combined company's products;

the possibility that conditions of the capital markets during the periods covered by the forward-looking statements may have an adverse effect on each company's businesses, financial condition, results of operations and cash flows;



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uncertainties regarding future prices, industry capacity levels and demand for each company's products, raw materials and energy costs and availability, changes in governmental regulations or the adoption of new laws or regulations that may make it more difficult or expensive to operate each company's businesses or manufacture its products before or after the Transactions, each company's ability to generate sufficient cash flow from its businesses before and after the Transactions, future economic conditions in the specific industries to which its respective products are sold and global economic conditions;

future compliance with debt covenants and access to capital;

Altra and Newco may be unable to timely satisfy all conditions to the financings required in connection with the Transactions; and

other risk factors discussed herein and listed from time to time in Fortive's and Altra's public filings with the SEC.

In addition, other factors besides those listed here could adversely affect each of Fortive's, Newco's and Altra's business and results of operations. Other unknown or unpredictable factors could also have a material adverse effect on each of Fortive's, Newco's and Altra's actual future results, performance, or achievements. For a further discussion of these and other risks and uncertainties, see the section of this document entitled "Risk Factors." As a result of the foregoing, readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this document. None of Fortive, Newco or Altra undertakes, and each expressly disclaims, any duty to update any forward-looking statement whether as a result of new information, future events, or changes in its respective expectations, except as required by law.

Because forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond each of Fortive's, Newco's and Altra's control or are subject to change, actual results could be materially different and any or all of these forward-looking statements may turn out to be wrong. Forward-looking statements speak only as of the date made and can be affected by assumptions each of Fortive, Newco and Altra might make or by known or unknown risks and uncertainties. Many factors mentioned in this prospectus and in Fortive's and Altra's annual and quarterly reports will be important in determining future results. Consequently, none of Fortive, Newco or Altra can assure you that expectations or forecasts expressed in such forward-looking statements will be achieved. Actual future results may vary materially. Except as required by law, none of Fortive, Newco or Altra undertakes, and each expressly disclaims, any obligation to update any forward-looking or other statements, whether as a result of new information, future events, or otherwise.

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**THE EXCHANGE OFFER**

**Terms of this Exchange Offer**

***General***

Fortive is offering to exchange all shares of Newco common stock that are owned by Fortive for shares of Fortive common stock, at an exchange ratio to be calculated in the manner described below, on the terms and conditions and subject to the limitations described below and in the letter of transmittal (including the instructions thereto) filed as an exhibit to the registration statement of which this prospectus forms a part, by 8:00 a.m., New York City time, on \_\_\_\_\_, 2018, unless this Exchange Offer is extended or terminated. The last day on which tenders will be accepted, whether on \_\_\_\_\_, 2018 or any later date to which this Exchange Offer is extended, is referred to in this prospectus as the expiration date. You may tender all, some or none of your shares of Fortive common stock.

An aggregate of 35 million shares of Newco common stock will be held by Fortive upon completion of the Separation. The number of shares of Fortive common stock that will be accepted if this Exchange Offer is completed will depend on the final exchange ratio, the number of shares of Newco common stock offered and the number of shares of Fortive common stock tendered.

Fortive's obligation to complete this Exchange Offer is subject to important conditions that are described in the section entitled Conditions to Consummation of this Exchange Offer.

For each share of Fortive common stock that you validly tender in this Exchange Offer and do not properly withdraw and that is accepted, you will receive a number of shares of Newco common stock at a \_\_\_\_\_% discount to the per-share value of Altra common stock, calculated as set forth below, subject to an upper limit of \_\_\_\_\_ shares of Newco common stock per share of Fortive common stock. Stated another way, subject to the upper limit described below, for each \$100 of Fortive common stock accepted in this Exchange Offer, you will receive approximately \$ \_\_\_\_\_ of Newco common stock.

The final calculated per-share value and per-share value, as applicable, will be equal to:

1. with respect to Fortive common stock, the simple arithmetic average of the daily VWAP of Fortive common stock on the NYSE for each of the Valuation Dates, as reported by Bloomberg L.P. displayed under the heading Bloomberg VWAP on the Bloomberg page FTV UN<Equity>VAP (or its equivalent successor page if such page is not available); and
2. with respect to Newco common stock, the simple arithmetic average of the daily VWAP of Altra common stock on Nasdaq for each of the Valuation Dates, as reported by Bloomberg L.P. displayed under the heading Bloomberg VWAP on the Bloomberg page AIMC UW<Equity>VAP (or its equivalent successor page if such page is not available).

The daily VWAP provided by Bloomberg L.P. may be different from other sources of volume-weighted average prices or investors' or security holders' own calculations of volume-weighted average prices. Fortive will determine such calculations of the per-share value of Fortive common stock and the per-share value of Newco common stock, and such determination will be final.

If the upper limit on the number of shares of Newco common stock that can be received for each share of Fortive common stock tendered is in effect, then the exchange ratio will be fixed at the limit.

*Upper Limit*

The number of shares of Newco common stock you can receive is subject to an upper limit of \_\_\_\_\_ shares of Newco common stock for each share of Fortive common stock accepted in this Exchange

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Offer. If the upper limit is in effect, a stockholder will receive less than \$ [redacted] of Newco common stock for each \$100 of Fortive common stock that the stockholder validly tenders, that is not properly withdrawn and that is accepted in this Exchange Offer, and the stockholder could receive much less. This limit was calculated based on a [redacted] % discount for shares of Newco common stock based on the average of the daily VWAPs of Fortive common stock and Altra common stock on [redacted], 2018, [redacted], 2018, and [redacted], 2018 (the last three full trading days ending on the second to last full trading day prior to commencement of this Exchange Offer). Fortive set this limit to ensure that an unusual or unexpected drop in the trading price of Altra common stock, relative to the trading price of Fortive common stock, would not result in an unduly high number of shares of Newco common stock being exchanged for each share of Fortive common stock accepted in this Exchange Offer.

***Pricing Mechanism***

The terms of this Exchange Offer are designed to result in your receiving \$ [redacted] of Newco common stock for each \$100 of Fortive common stock validly tendered, not properly withdrawn and accepted in this Exchange Offer based on the calculated per-share values described above. This Exchange Offer does not provide for a minimum exchange ratio because a minimum exchange ratio could result in the shares of Newco common stock exchanged for each \$100 of Fortive common stock being valued higher than approximately \$ [redacted]. Regardless of the final exchange ratio, the terms of this Exchange Offer would always result in you receiving approximately \$ [redacted] of Newco common stock for each \$100 of Fortive common stock, so long as the upper limit is not in effect. See the table on page 85 for purposes of illustration.

Subject to the upper limit described above, for each \$100 of Fortive common stock accepted in this Exchange Offer, you will receive approximately \$ [redacted] of Newco common stock. The following formula will be used to calculate the number of shares of Newco common stock you will receive for shares of Fortive common stock accepted in this Exchange Offer:

Number of shares of Newco common stock	=	Number of shares of Fortive common stock tendered and accepted, multiplied by the lesser of:	(a) [redacted] (the upper limit) and	(b) 100% of the calculated per-share value of Fortive common stock divided by [redacted] % of the calculated per-share value of Newco common stock
				(calculated as described below)

The calculated per-share value of a share of Fortive common stock for purposes of this Exchange Offer will equal the simple arithmetic average of the daily VWAP of Fortive common stock on the NYSE on each of the Valuation Dates. The calculated per-share value of a share of Newco common stock for purposes of this Exchange Offer will equal the simple arithmetic average of the daily VWAP of Altra common stock on Nasdaq on each of the Valuation Dates.

To help illustrate the way this calculation works, below are two examples:

Example 1: Assuming that the average of the daily VWAP on the Valuation Dates is \$ [redacted] per share of Fortive common stock and \$ [redacted] per share of Altra common stock, you would receive [redacted] (\$ [redacted] divided by [redacted] % of \$ [redacted]) shares of Newco common stock for each share of Fortive common stock accepted in this Exchange Offer. In this example, the upper limit of [redacted] shares of Newco common stock for each share of Fortive common stock would

not apply.

Example 2: Assuming that the average of the daily VWAP on the Valuation Dates is \$      per share of Fortive common stock and \$      per share of Altra common stock, the upper limit would apply and you would

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only receive \_\_\_\_\_ shares of Newco common stock for each share of Fortive common stock accepted in this Exchange Offer because the limit is less than \_\_\_\_\_ (\$ \_\_\_\_\_ divided by \_\_\_\_\_ % of \$ \_\_\_\_\_) shares of Newco common stock for each share of Fortive common stock. Because the upper limit would apply, this Exchange Offer would be automatically extended until 8:00 a.m., New York City time, on the second trading day following the originally contemplated expiration date, and the exchange ratio would be fixed at the upper limit.

***Indicative Per-Share Values***

Indicative exchange ratios, calculated per-share values of Fortive common stock, calculated per-share values of Newco common stock and the final exchange ratio used to determine the number of shares of Newco common stock to be exchanged per share of Fortive common stock will be available commencing after the close of trading on the third trading day of this Exchange Offer by contacting the information agent at the toll-free number provided on the back cover of this prospectus on each day of the Exchange Offer period prior to the announcement of the final exchange ratio. In addition, a website will be maintained at <http://investors.fortive.com/altra> that provides indicative exchange ratios, calculated per-share values of Fortive common stock and calculated per-share values of Newco common stock.

From the commencement of this Exchange Offer until the first Valuation Date, the website will show the indicative calculated per-share values, as applicable, calculated as though that day were the expiration date of this Exchange Offer, of (i) Fortive common stock, which will equal the simple arithmetic average of the daily VWAP of Fortive common stock, as calculated by Fortive, on each of the three prior full trading days and (ii) Newco common stock, which will equal the simple arithmetic average of the daily VWAP of Altra common stock, as calculated by Fortive, on each of the three prior full trading days.

On the first two Valuation Dates, when the values of Fortive common stock and Newco common stock are calculated for the purposes of this Exchange Offer, the indicative calculated per-share values of Fortive common stock and the indicative calculated per-share values of Newco common stock, as calculated by Fortive, will each equal (i) after the close of trading on the NYSE and Nasdaq on the first Valuation Date, the VWAPs for that day, and (ii) after the close of trading on the NYSE and Nasdaq on the second Valuation Date, the VWAPs for that day averaged with the VWAPs on the first Valuation Date. On the first two Valuation Dates, the indicative exchange ratios will be updated no later than 4:30 p.m., New York City time.