

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 24pt;">2009</div>
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☒ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☐ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>AVIALL, INC. RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ► <u>001</u> 1c Effective date of plan <u>01/01/1994</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO</u> <u>C/O BOEING EMPLOYEE BENEFITS</u> <u>P.O. BOX 3707 M/C 11-57</u> <u>SEATTLE, WA 98124-2207</u>	2b Employer Identification Number (EIN) <u>65-0433083</u> 2c Sponsor's telephone number <u>206-662-5825</u> 2d Business code (see instructions) <u>336410</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>09/28/2010</u>	<u>SCOTT BUCHANAN</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2009)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") THE BOEING COMPANY 100 N. RIVERSIDE PLAZA CHICAGO, IL 60606-1596	3b Administrator's EIN 58-2405861 3c Administrator's telephone number 312-544-2264
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	2954
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	1016
b Retired or separated participants receiving benefits.....	6b	834
c Other retired or separated participants entitled to future benefits.....	6c	1023
d Subtotal. Add lines 6a , 6b , and 6c	6d	2873
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	147
f Total. Add lines 6d and 6e	6f	3020
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	28

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
 1A 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information – Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☒ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>AVIALL, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO</u>	D Employer Identification Number (EIN) <u>65-0433083</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2009</u>
2	Assets:
a	Market value 2a <u>65845952</u>
b	Actuarial value 2b <u>72430547</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>968</u> <u>27485340</u>
b	For terminated vested participants 3b <u>1029</u> <u>11968347</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>885693</u>
(2)	Vested benefits 3c(2) <u>28843846</u>
(3)	Total active 3c(3) <u>957</u> <u>29729539</u>
d	Total 3d <u>2954</u> <u>69183226</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>8.12</u> %
6	Target normal cost 6 <u>3525036</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>09/23/2010</u>
Signature of actuary	Date
<u>BENJAMIN P. HAGAN</u>	<u>08-07189</u>
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>	<u>214-530-4200</u>
Firm name	Telephone number (including area code)
<u>500 N. AKARD STREET, SUITE 4100</u> <u>DALLAS, TX 75201</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	23282876	
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	3674957	
9	Amount remaining (Item 7 minus item 8).....	19607919	0
10	Interest on item 9 using prior year's actual return of <u>29.27</u> %	-5738846	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		
b	Interest on (a) using prior year's effective rate of <u>6.07</u> %		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance.....		
12	Reduction in balances due to elections or deemed elections.....		
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	13869073	0

Part III Funding percentages			
14	Funding target attainment percentage.....	14	84.65 %
15	Adjusted funding target attainment percentage.....	15	104.69 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	98.95 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/09/2010	800000				
09/15/2010	4700000				
Totals ►			18(b)	5500000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 4838259
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No
c If 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of Quarter of this plan year	
(1) 1st	(2) 2nd
0	0
(3) 3rd	(4) 4th
0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	3525036
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment		
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	3525036
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	3013978	
36 Additional cash requirement (item 34 minus item 35).....	36	511058
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	4838259
38 Interest-adjusted excess contributions for current year (see instructions).....	38	1313223
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

<div>A Name of plan</div> <div>AVIALL, INC. RETIREMENT PLAN</div>	<div>B Three-digit plan number (PN)</div> <div>▶</div> <div>001</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500</div> <div>AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO</div>	<div>D Employer Identification Number (EIN)</div> <div>65-0433083</div>

Part I

Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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

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

WATSON & WYATT CO

500 N. AKARD STREET, SUITE 4100
DALLAS, TX 75201

53-0181291

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 14 17 70	NONE	356721	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLS FARGO BANK

608 2ND AVENUE SOUTH
MINNEAPOLIS, MN 55479

41-6257133

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	NONE	142678	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

IVINS, PHILLIPS & BARKER

1700 PENNSYLVANIA AVE NW SUITE 600
WASHINGTON, DC 20006

52-1229560

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	23758	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

a Name:	DELOITTE & TOUCHE LLP	b EIN:	13-3891517
c Position:	ACCOUNTANT		
d Address:	925 FOURTH AVENUE, SUITE 3300 SEATTLE, WA 98104	e Telephone:	206-716-7081

Explanation: A CHANGE WAS MADE TO THE STRATEGY FOR OUR SUBSIDIARY PLANS AND WE ARE SHIFTING TO ONE AUDIT FIRM TO GAIN CONSISTENCY WITH OUR AUDITS.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

<div>SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration</div>	<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2009</div> <div>This Form is Open to Public Inspection.</div>
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009		
A Name of plan AVIALL, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO	D Employer Identification Number (EIN) 65-0433083	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)		
a Name of MTIA, CCT, PSA, or 103-12 IE: LARGE CAP VALUE INDEX FUND G			
b Name of sponsor of entity listed in (a): WELLS FARGO			
c EIN-PN 52-2265227-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: LARGE CAP GROWTH INDEX FUND G			
b Name of sponsor of entity listed in (a): WELLS FARGO			
c EIN-PN 52-2265232-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: TOTAL RETURN BOND FUND G			
b Name of sponsor of entity listed in (a): WELLS FARGO			
c EIN-PN 94-3222878-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 6211071	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:			
b Name of sponsor of entity listed in (a):			
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2009 This Form is Open to Public Inspection
For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>		
A Name of plan <u>AVIALL, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO</u>	D Employer Identification Number (EIN) <u>65-0433083</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a		
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	9000000	800000
	(2) Participant contributions	1b(2)		
	(3) Other	1b(3)	38084	137
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1352801	2051160
	(2) U.S. Government securities	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)		
	(9) Value of interest in common/collective trusts	1c(9)	11759133	6211071
	(10) Value of interest in pooled separate accounts	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	43990223	70513020
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
	(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	66140241	79575388

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	90196	179637
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	90196	179637

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	66050045	79395751
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	800000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		800000

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	6435	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	480264	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		486699

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	472759	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		472759

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		486087
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		14850213
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		17095758

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3106753	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		3106753
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	380479	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	142678	
(4) Other	2i(4)	120142	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		643299
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		3750052

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		13345706
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MOSS ADAMS LLP

(2) EIN: 91-0189318

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		95000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ Yes ☒ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2009
		This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan <u>AVIALL, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO</u>	D Employer Identification Number (EIN) <u>65-0433083</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>41-6257133</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☒ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box.....	☒ Increase	☐ Decrease	☐ Both	☐ No
--	--	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009
v.092308.1

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 75% Investment-Grade Debt: 25% High-Yield Debt: 0% Real Estate: 0% Other: 0%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate item 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

**AVIALL, INC.
RETIREMENT PLAN**

**Independent Auditor's Report
and Financial Statements
with Supplemental Schedules**

December 31, 2009 and 2008

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INDEPENDENT AUDITOR'S REPORT

To the Employee Benefit Plans Committee
Aviall, Inc. Retirement Plan

We were engaged to audit the financial statements of the Aviall, Inc. Retirement Plan (the "Plan") as of December 31, 2009, and the related statement of changes in net assets available for benefits for the year then ended and the supplemental Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year) as of December 31, 2009 and supplemental Schedule H, Line 4(j) - Schedule of Reportable Transactions for the year ended December 31, 2009. These financial statements and schedules are the responsibility of the Plan's management. The financial statements of the Plan as of December 31, 2008, and for the year then ended, were audited by other auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed the other auditors not to perform and they did not perform, any auditing procedures with respect to the information certified by the Plan's trustee. Their report, dated July 27, 2009, indicated that (a) because of the significance of the information they did not audit, they were unable to, and did not, express an opinion on the financial statements taken as a whole and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustee, were presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Wells Fargo Bank N.A., the trustee of the Plan, except for comparing such information with the related information included in the 2009 financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's assets and executes investment transactions. The plan administrator has obtained certification from the trustee as of and for the year ended December 31, 2009, that the information provided to the plan administrator by the custodian is complete and accurate.

Because of the significance of the information in the Plan's 2009 financial statements and supplemental schedules that we did not audit, we are unable to, and do not, express an opinion on the accompanying 2009 financial statements and supplemental schedules taken as a whole. The form content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Moss Adams LLP

Seattle, Washington
June 21, 2010

AVIALL, INC. RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Investments, at fair value		
Mutual funds	\$ 70,513,020	\$ 43,990,223
Collective trust fund	6,211,071	11,759,133
Money market fund	<u>2,051,160</u>	<u>1,352,801</u>
Total investments, at fair value	<u>78,775,251</u>	<u>57,102,157</u>
Receivables		
Employer contribution receivable	800,000	9,000,000
Accrued income	<u>137</u>	<u>38,084</u>
Total receivables	<u>800,137</u>	<u>9,038,084</u>
Total assets	79,575,388	66,140,241
LIABILITIES		
Administrative expenses payable	<u>179,637</u>	<u>90,196</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 79,395,751</u>	<u>\$ 66,050,045</u>

AVIALL, INC. RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
INVESTMENT INCOME (LOSS)		
Net appreciation (depreciation) in fair value of investments	\$ 15,336,300	\$ (24,457,888)
Dividends	472,759	362,171
Interest	486,699	449,602
Net investment income (loss)	<u>16,295,758</u>	<u>(23,646,115)</u>
EMPLOYER CONTRIBUTIONS	<u>800,000</u>	<u>9,000,000</u>
DEDUCTIONS		
Benefits paid to participants	3,106,753	3,008,869
Administrative and investment expenses	643,299	633,798
Total deductions	<u>3,750,052</u>	<u>3,642,667</u>
NET INCREASE (DECREASE)	13,345,706	(18,288,782)
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>66,050,045</u>	<u>84,338,827</u>
End of year	<u><u>\$ 79,395,751</u></u>	<u><u>\$ 66,050,045</u></u>

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 1 - Description of the Plan

The following description of the Aviall, Inc. Retirement Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

General - The Plan was established effective January 1, 1994, in accordance with and subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The Plan was created as a result of the spin-off by Ryder System, Inc. of its aviation segment to form Aviall, Inc. (“Aviall” or the “Company”) as of December 7, 1993. All employees of Aviall who were also participants in the Ryder Retirement Plan were automatically enrolled in the Plan. On September 30, 2006, The Boeing Company (“Boeing”) purchased Aviall and by resolution of the sponsoring Company’s Board of Directors designated the Employee Benefit Plans Committee of Boeing as the Administrator of the Plan and delegated authority respecting investment, reinvestment, and management of the assets of the Plan to the Employee Benefit Investment Committee of Boeing.

The Plan is a defined benefit plan covering all nonbargained exempt and nonexempt employees of the Company, except independent contractors, independent consultants, nonresident aliens, and leased employees. To be eligible for participation in the Plan, the employee must be at least 21 years of age and must have completed 1,000 hours of service in a 12-month consecutive period.

Benefits and Vesting - Pension benefits are generally determined based on years of service and the participant’s annual benefit accrual as defined in the Plan document. Participants become fully vested upon completion of five years of credited service and are eligible for normal retirement at age 65.

Participants may elect early retirement after attaining age 55 if 10 years of continuous service has been completed. Upon such election, the participant’s benefits are decreased for each month the participant’s age at early retirement precedes age 65. Employees may select the form of benefit payment from various annuity options.

Participants who are 100% vested and who are totally and permanently disabled are eligible for disability benefits if they are actively employed at the time they suffered the disability, have reached age 45, and have accrued at least 15 years of continuous service.

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 1 - Description of the Plan (Continued)

If a vested participant dies prior to the payment of benefits from the Plan, then an eligible spouse is entitled to a Qualified Preretirement Survivor Annuity. Generally, the Qualified Preretirement Survivor Annuity is a monthly retirement income payable for the life of the spouse in an amount equal to 50% of the amount the vested participant would have received if the participant had survived to the earliest commencement date and elected to receive a benefit under the 50% joint and survivor annuity option. The amount of the death benefit will depend upon whether the participant was a current employee, former employee, or a retiree on the participant's date of death and whether the participant's death occurred before or after the participant was eligible for retirement under the Plan.

Funding Policy - Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan in amounts as determined by the Plan's independent actuary to meet the minimum statutory funding requirements of ERISA. The Company met the minimum funding requirements of ERISA for the years ended December 31, 2009 and 2008.

Although no contributions were required under ERISA, discretionary contributions of \$800,000 and \$9,000,000 were made for the years ended December 31, 2009 and 2008, respectively.

Plan Termination - Although it has not expressed any intention to do so, Boeing has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty while other benefits may not be provided for at all.

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Accumulated Benefits - The actuarial present value of accumulated plan benefits information in Note 4 is presented as of the beginning of the Plan year, as allowed by Financial Accounting Standards Board Accounting Standards Codification (“ASC”) 960 *Plan Accounting – Defined Benefit Pension Plans*.

Risks and Uncertainties - The Plan utilizes various investments, including a money market fund, collective trust, and mutual funds. Such investments, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with such investments, it is at least reasonably possible that changes in the values of such investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

Investments and Investment Income - Investments are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. The Plan’s investments in money market and mutual funds are valued at quoted market prices as of the last trading day of the year. Investments in collective trusts are valued based on the year-end unit value; unit values are determined by the issuer or third-party administrator by dividing the fair values of the total net assets at year-end by the outstanding units. The fair values of the total net assets are determined by the nature of the underlying investments. The underlying investments may include common and preferred stock, fixed income securities, over-the-counter derivatives, and other investments traded in markets that are not considered active. Underlying investments are valued based on quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis and dividends are recorded on the ex-dividend date. Net appreciation (depreciation) in fair value of investments consists of realized gains and losses and unrealized appreciation or depreciation on investments.

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 2 - Summary of Significant Accounting Policies (Continued)

Payment of Benefits - Benefits are recorded when paid.

Expenses - Necessary and proper expenses of the Plan are paid from Plan assets, except for those expenses the Company is required by law or chooses to pay.

Subsequent Events - Subsequent events are events or transactions that occur after the statement of net assets available for benefits date but before the financial statements are available to be issued. The Plan recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of net assets available for benefits, including the estimates inherent in the process of preparing the financial statements.

The Plan has evaluated events that have occurred through June 21, 2010, which is the date that the financial statements were available to be issued. As of that date, the Plan identified no subsequent events that required disclosure at the date of the statement of net assets available for benefits.

Note 3 - Fair Value of Financial Assets and Financial Liabilities

The Plan has adopted the provisions of ASC 820 *Fair Value Measurements and Disclosures*. ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy for financial assets and financial liabilities are described below:

Level 1 - Values are based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical and unrestricted assets or liabilities. An active market is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Values are based on (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in nonactive markets, or (c) valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability.

Level 3 - Values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs may reflect the Plan's estimates of the assumptions that market participants would use in valuing the investment asset or liability.

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 3 - Fair Value of Financial Assets and Financial Liabilities (Continued)

Fair value is a market-based measure, considered from the perspective of a market participant who owns an asset or owes a liability. Accordingly, when market observable data is not readily available, assumptions are set to reflect those that market participants would be presumed to use in pricing the asset or liability at the measurement date. Prices and inputs are used that are current as of the measurement date, including during periods of market disruption. In periods of market disruption, the ability to observe prices and inputs may be reduced for many instruments. This condition could cause an instrument to be reclassified from Level 1 to Level 2 or from Level 2 to Level 3.

The following table sets forth by level within the fair value hierarchy a summary of the financial assets and liabilities measured at fair value on a recurring basis at December 31, 2009 and 2008. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2009
Mutual funds				
Growth funds	\$ 58,734,212	\$ -	\$ -	\$ 58,734,212
Fixed income funds	11,778,808	-	-	11,778,808
Collective trust fund				
Fixed income fund	-	6,211,071	-	6,211,071
Money market fund	2,051,160	-	-	2,051,160
	<u>\$ 72,564,180</u>	<u>\$ 6,211,071</u>	<u>\$ -</u>	<u>\$ 78,775,251</u>
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2008
Mutual funds	\$ 43,990,223	\$ -	\$ -	\$ 43,990,223
Collective trust fund	-	11,759,133	-	11,759,133
Money market fund	1,352,801	-	-	1,352,801
	<u>\$ 45,343,024</u>	<u>\$ 11,759,133</u>	<u>\$ -</u>	<u>\$ 57,102,157</u>

AVIAL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 4 - Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments and lump-sum distributions attributable under the Plan's provisions to service rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to:

1. Retired or terminated participants or their beneficiaries
2. Beneficiaries of deceased participants
3. Disabled participants
4. Active participants or their beneficiaries

The actuarial present value of accumulated plan benefits is determined by an independent actuary and is the sum of accumulated benefits adjusted to reflect the probability of payment (by means of decrements, such as for death, disability termination or retirement) and the time value of money (through the discounts for interest) between the valuation date and the expected date of payment.

Significant actuarial assumptions underlying the actuarial computations in the 2009 and 2008 valuations were as follows:

Interest rate	An assumed rate of return of 8.50% for 2009 and 2008
Retirement	Retirement age assumption (average age at retirement is 61 years)
Mortality basis	RP 2000 Combined Healthy Mortality Tables for males and females

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits ("PVAB").

The actuarial PVAB as of January 1, 2009 and 2008 is as follows:

	<u>2009</u>	<u>2008</u>
Vested benefits		
Participants and beneficiaries currently receiving payments	\$ 26,464,533	\$ 24,682,121
Other participants	<u>36,537,138</u>	<u>33,866,193</u>
Total vested benefits	63,001,671	58,548,314
Nonvested benefits	<u>952,312</u>	<u>931,639</u>
Total actuarial PVAB	<u><u>\$ 63,953,983</u></u>	<u><u>\$ 59,479,953</u></u>

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 4 - Actuarial Present Value of Accumulated Plan Benefits (Continued)

The changes in actuarial PVAB for the year ended January 1, 2009 are as follows:

Total actuarial PVAB at January 1, 2008	<u>\$ 59,479,953</u>
Additional benefits accumulated	2,386,052
Actuarial loss	(30,985)
Increase for interest due to decrease in the discount period	5,130,615
Benefits paid	<u>(3,011,652)</u>
Net increase	<u>4,474,030</u>
Total actuarial PVAB at January 1, 2009	<u><u>\$ 63,953,983</u></u>

Note 5 - Information Certified by the Trustee

As a result of the Plan administrator's election of the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA, the following unaudited information relating to investments as of and for the years ended December 31, 2009 and 2008, included in the financial statements and supplemental schedules was prepared by Wells Fargo Bank N.A., (the "Trustee") and furnished to the Plan administrator. The Plan administrator has obtained certifications from the Trustee that such information is complete and accurate. This information has not been audited by the Plan's independent auditors as instructed by the Plan administrator.

- Fair value of investments as of December 31, 2009 and 2008, as indicated on the statements of net assets available for benefits.
- Net appreciation (depreciation) in fair value of investments, dividends, and interest for the years ended December 31, 2009 and 2008, as indicated on the statements of changes in net assets available for plan benefits.
- Information contained within Note 6 to the financial statements and the supplemental schedules of assets (held at end of year) and reportable transactions.

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 6 - Investments

The Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$15,336,300 and depreciated in value by \$24,457,888 for the years ended December 31, 2009 and 2008, respectively, as follows:

	2009	2008
Mutual funds	\$ 14,850,213	\$ (20,399,132)
Collective trust fund	486,087	(4,058,756)
Total	<u>\$ 15,336,300</u>	<u>\$ (24,457,888)</u>

The fair value of investments that represent 5% or more of the Plan's net assets available for benefits as of December 31, 2009 and 2008, are as follows:

	2009	2008
MFS Value Fund	\$ 8,507,536	\$ 7,215,344
Evergreen Intrinsic Value Class Fund	\$ 8,473,798	\$ 6,257,146
Harbor International Fund *	\$ 7,688,640	\$ -
Wells Fargo Advantage Growth Fund *	\$ 7,524,749	\$ -
American Funds EuroPacific Growth Fund *	\$ 7,512,941	\$ -
Mainstay Large Cap Growth I Fund	\$ 7,101,665	\$ 3,623,294
Wells Fargo Advantage Small Cap Opportunities Fund	\$ 6,762,693	\$ 5,419,481
Wells Fargo Advantage Total Return Bond Fund	\$ 6,211,071	\$ 7,615,635
PIMCO Total Return Fund *	\$ 6,163,364	\$ -
Metropolitan West Total Return Bond Fund	\$ 5,615,445	\$ 7,386,168
JP Morgan Small Cap Equity Fund	\$ 5,162,189	\$ 5,385,854

* Investment did not represent more than 5% of the Plan's net assets at December 31, 2008.

Note 7 - Related-Party Transactions

Certain Plan assets are invested in funds sponsored by the Trustee for the years ended December 31, 2009 and 2008, and therefore, these transactions qualify as party-in-interest transactions. Fees paid to the Trustee were \$142,678 and \$188,915 for the years ended December 31, 2009 and 2008, respectively.

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008

Note 8 - Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated August 29, 2002, that the Plan is designed in accordance with the applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. The Company and Plan management believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and that the Plan and related trust continue to be tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

SUPPLEMENTAL SCHEDULES

AVIAL, INC. RETIREMENT PLAN**EIN: 65-0433083****PLAN #: 001****SUPPLEMENTAL SCHEDULE****DECEMBER 31, 2009****Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)**

(a) Party-in- Interest	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description	(d) Cost	(e) Current Value
	MFS Value Fund	Mutual fund	\$ 9,361,530	\$ 8,507,536
	Evergreen Intrinsic Value Fund	Mutual fund	8,244,612	8,473,798
	Harbor International Fund	Mutual fund	8,169,482	7,688,640
*	Wells Fargo Advantage Growth Fund	Mutual fund	5,932,490	7,524,749
	American Funds EuroPacific Growth Fund	Mutual fund	7,774,884	7,512,941
	Mainstay Large Cap Growth I Fund	Mutual fund	7,067,445	7,101,665
*	Wells Fargo Advantage Small Cap Opportunities Fund	Mutual fund	7,189,355	6,762,693
*	Wells Fargo Advantage Total Return Bond Fund	Collective trust	5,213,502	6,211,071
	PIMCO Total Return Fund	Mutual fund	5,958,519	6,163,364
	Metropolitan West Total Return Bond Fund	Mutual fund	5,408,922	5,615,445
	JP Morgan Small Cap Equity Fund	Mutual fund	4,859,207	5,162,189
*	Wells Fargo Advantage Cash Investment Fund	Money market fund	2,051,160	2,051,160
				<u>\$ 78,775,251</u>

* Represents an investment with a party-in-interest.

AVIALL, INC. RETIREMENT PLAN**EIN: 65-0433083****PLAN #: 001****SCHEDULE H, LINE 4(j) - SCHEDULE OF REPORTABLE TRANSACTIONS
FOR THE YEAR ENDED DECEMBER 31, 2009**

Identity of Party Involved	Description of Asset	Number of Purchases or Sales	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Single Transactions							
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	1	\$ 9,000,000	\$ -	\$ 9,000,000	\$ 9,000,000	\$ -
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	1	-	9,000,000	9,000,000	9,000,000	-
Wells Fargo	Metropolitan West Total Return Bond Fund	1	-	3,600,000	3,766,880	3,600,000	(166,880)
Wells Fargo	PIMCO Total Return Fund	1	5,000,000	-	5,000,000	5,000,000	-
Series of Transactions							
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	51	15,759,064	-	15,759,064	15,759,064	-
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	81	-	15,060,704	15,060,704	15,060,704	-
Wells Fargo	American Funds EuroPacific Growth Fund	3	3,522,692	-	3,522,692	3,522,692	-
Wells Fargo	American Funds EuroPacific Growth Fund	1	-	500,000	528,635	500,000	(28,635)
Wells Fargo	Harbor Fund International Fund	3	3,524,481	-	3,524,481	3,524,481	-
Wells Fargo	Harbor Fund International Fund	2	-	750,000	750,000	750,000	-
Wells Fargo	Metropolitan West Total Return Bond Fund	14	2,435,348	-	2,435,348	2,435,348	-
Wells Fargo	Metropolitan West Total Return Bond Fund	2	-	4,600,000	4,863,689	4,600,000	(263,689)
Wells Fargo	PIMCO Total Return Fund	2	5,747,000	-	5,747,000	5,747,000	-
Wells Fargo	Wells Fargo Advantage Capital Growth Fund	2	-	4,492,486	6,629,873	4,492,486	(2,137,387)
Wells Fargo	Wells Fargo Advantage Growth Fund	4	6,238,000	-	6,238,000	6,238,000	-
Wells Fargo	Wells Fargo Advantage Growth Fund	1	-	350,000	305,510	350,000	44,490

2009 FORM 5500 ATTACHMENT
SCHEDULE H, PART IV - 4i- FINANCIAL INFORMATION

Plan Sponsor: AVIALL, INC. a wholly owned subsidiary of The Boeing Company
Sponsor's EIN: 65-0433083
Plan Name: Aviall, Inc. Retirement Plan
Plan Number: 001

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
AS OF DECEMBER 31, 2009

(a) Party-in-Interest	(b) Identity of Issue, Borrower, Lessor, or Similar Party	Shares	(d) Cost	(e) Current Value
*	Wells Fargo Advantage Cash Investment Fund	2,051,160	\$ 2,051,160	\$ 2,051,160
	Total Return Bond Fund G	226,040	5,213,502	6,211,071
*	Wells Fargo Advantage Growth Fund - Class I	278,076	5,932,490	7,524,749
	Metropolitan West Fund Total			
	Return Bond Fund Class M	567,217	5,408,922	5,615,445
*	Wells Fargo Advantage Small Cap Opportunities Fund Admin Class	238,711	7,189,355	6,762,693
	American Europacific Growth Fund Class R4	199,177	7,774,884	7,512,941
	Evergreen Intrinsic Value Class 1	895,750	8,244,612	8,473,798
	Harbor International Fund	140,125	8,169,482	7,688,640
	JP Morgan Small Cap Equity Fund - Select Shares #367	171,958	4,859,207	5,162,189
	Mainstay Large Cap Growth I Fund #1483	1,134,451	7,067,445	7,101,665
	MFS Value Fund Class W #2400	410,002	9,361,530	8,507,536
	PIMCO Total Return Fund - Admin Class	570,682	5,958,519	6,163,364
Total assets held for investment purposes				<u>\$ 78,775,251</u>

* Represents an investment with a party-in-interest.

2009 FORM 5500 ATTACHMENT
SCHEDULE H, PART IV - 4j- 5 % REPORTABLE TRANSACTIONS

Plan Sponsor: AVIALL, INC. a wholly owned subsidiary of The Boeing Company

Sponsor's EIN: 65-0433083

Plan Name: Aviall, Inc. Retirement Plan

Plan Number: 001

SCHEDULE OF REPORTABLE TRANSACTIONS
YEAR ENDED DECEMBER 31, 2009

(a) Identity of Party Involved	(b) Description of Asset	Number of Purchases or Sales	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred with Transaction	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(j) Net Gain or (Loss)
<i>Single Transactions</i>									
Wells Fargo	Wells Fargo Advantage Cash Investment MM Fund - Institutional	1	\$ 9,000,000	\$ -	\$ -	\$ -	\$ 9,000,000	\$ 9,000,000	\$ -
Wells Fargo	Wells Fargo Advantage Cash Investment MM Fund - Institutional	1		9,000,000			9,000,000	9,000,000	
Wells Fargo	Metropolitan West Funds Total Return Bd Fd Class M	1		3,600,000			3,766,880	3,600,000	(166,880)
Wells Fargo	PIMCO Total Return Fd Admin Class	1	5,000,000				5,000,000	5,000,000	
<i>Series of Transactions</i>									
Wells Fargo	Wells Fargo Advantage Cash Investment MM Fund - Institutional	51	\$ 15,759,064	\$ -	\$ -	\$ -	\$ 15,759,064	\$ 15,759,064	\$ -
Wells Fargo	Wells Fargo Advantage Cash Investment MM Fund - Institutional	81		15,060,704			15,060,704	15,060,704	
Wells Fargo	Metropolitan West Funds Total Return Bd Fd Class M	2		4,600,000			4,863,689	4,600,000	(263,689)
Wells Fargo	PIMCO Total Return Fd Admin Class	2	5,747,000				5,747,000	5,747,000	
Wells Fargo	Wells Fargo Advantage Capital Growth Fund - I	2		4,492,486			6,629,873	4,492,486	(2,137,388)
Wells Fargo	Wells Fargo Advantage Growth Fund - I	4	6,238,000				6,238,000	6,238,000	

Schedule SB, Line 22 – Description of Weighted Average Retirement Age

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc.

See Part V for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

x	q_x^r	l_x	${}_{x-55}P_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
50	0.00	1,000,000	1.000000	0.000000	0.000000
51	0.00	1,000,000	1.000000	0.000000	0.000000
52	0.00	1,000,000	1.000000	0.000000	0.000000
53	0.00	1,000,000	1.000000	0.000000	0.000000
54	0.00	1,000,000	1.000000	0.000000	0.000000
55	0.10	1,000,000	1.000000	0.100000	5.500000
56	0.05	900,000	0.900000	0.045000	2.520000
57	0.05	855,000	0.855000	0.042750	2.436750
58	0.05	812,250	0.812250	0.040613	2.355525
59	0.05	771,638	0.771638	0.038582	2.276331
60	0.10	733,056	0.733056	0.073306	4.398334
61	0.05	659,750	0.659750	0.032988	2.012238
62	0.50	626,763	0.626763	0.313381	19.429639
63	0.05	313,381	0.313381	0.015669	0.987151
64	0.05	297,712	0.297712	0.014886	0.952679
65	1.00	282,827	0.282827	0.282827	18.383729

Average age at retirement 61.252376

Rounded for Schedule SB 61

Schedule SB – Statement by Enrolled Actuary

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc.

Valuation Date January 1, 2009

Enrolled Actuary Benjamin P. Hagan

Enrollment Number 08-07189

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Schedule SB, Line 25 – Change in Method

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc.

The asset method was changed from fair market value of plan assets to the average of fair market value on the valuation date and the adjusted market value of assets on Retiree, and Employer Recovery Act of 2008 (WRERA). Changes in the asset method from plan years beginning in 2009 to any permissible asset method are deemed to be automatically approved by the IRS.

An administrative expense assumption changed from assuming no expenses included in the normal cost to assuming plan administrative expenses will be included in the normal cost.

The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2009**This Form is Open to Public
Inspection**

For calendar plan year 2009 or fiscal plan year beginning

01/01/2009

and ending

12/31/2009

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.**A Name of plan**

Aviall, Inc. Retirement Plan

**B Three-digit
plan number (PN)**

001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

Aviall, Inc.

D Employer Identification Number (EIN)

65-0433083

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B**F Prior year plan size:** ☐ 100 or fewer ☐ 101-500 ☒ More than 500**Part I Basic Information****1** Enter the valuation date: Month 1 Day 1 Year 2009**2 Assets:**

	2a	2b
a Market value.....	65,845,952	
b Actuarial value.....		72,430,547

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	968	27,485,340
b For terminated vested participants.....	1,029	11,968,347
c For active participants:		
(1) Non-vested benefits.....		885,693
(2) Vested benefits.....		28,843,846
(3) Total active.....	957	29,729,539
d Total.....	2,954	69,183,226

4 If the plan is at-risk, check the box and complete items (a) and (b) ☐

a Funding target disregarding prescribed at-risk assumptions.....	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b

5 Effective interest rate..... **5** 8.12 %**6** Target normal cost..... **6** 3,525,036**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

Benjamin P. Hagan

Signature of actuary

Benjamin P. Hagan

Type or print name of actuary

Towers Watson Delaware Inc.

Firm name

500 N. Akard Street, Suite 4100

Dallas

TX 75201-

Address of the firm

9/23/10

Date

08-07189

Most recent enrollment number

(214) 530-4200

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009
v.092308.1

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	23,282,876	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	3,674,957	0
9 Amount remaining (Item 7 minus item 8)	19,607,919	0
10 Interest on item 9 using prior year's actual return of <u>(29.27)%</u>	(5,738,846)	
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		0
b Interest on (a) using prior year's effective rate of <u>6.07 %</u>		
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Reduction in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	13,869,073	0

Part III Funding percentages

14 Funding target attainment percentage	14	84.65 %
15 Adjusted funding target attainment percentage	15	104.69 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	98.95 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/09/2010	800,000				
09/15/2015	4,700,000				
Totals ▶			18(b)	5,500,000	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contribution from prior years	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	4,838,259

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:				
a Segment rates:	1st segment: %	2nd segment: %	3rd segment: %	☒ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.	27

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	31	3,525,036
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment		
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)	34	3,525,036
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	3,013,978	0
36 Additional cash requirement (item 34 minus item 35)	36	511,058
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	4,838,259
38 Interest-adjusted excess contributions for current year (see instructions)	38	1,313,223
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	39	0
40 Unpaid minimum required contribution for all years	40	0

Schedule SB, Line 26 – Schedule of Active Participant Data

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc.

	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
Attained Age	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	0		27		1		0		0		0		0		0		0		0	
25 - 29	0		73		14		1		0		0		0		0		0		0	
30 - 34	0		57		45		8		0		0		0		0		0		0	
35 - 39	0		71		36		13		5		1		0		0		0		0	
40 - 44	0		45		47		18		11		11		0		0		0		0	
45 - 49	0		68		40		24		15		21		7		1		0		0	
50 - 54	0		41		33		19		10		22		9		8		0		0	
55 - 59	0		11		21		9		4		16		6		5		1		0	
60 - 64	0		13		19		2		9		10		6		5		1		0	
65 - 69	0		1		0		2		1		4		2		2		0		2	
70 & Over	0		1		1		0		0		1		0		0		0		0	

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Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc.

Discount rates

Current plan year PPA effective interest rate: 8.12%

Full Yield Curve

Applicable month: 2 months prior to the valuation date (yield curve based on October rates).

Transition election: No transition elected.

Assumed cost of living adjustments

None.

Inclusion date

The valuation date coincident with or next following the date on which the employee becomes a participant.

Administrative expenses

The amount included this year for plan-related expenses is \$720,000.

Mortality

For all participants the prescribed mortality assumption under Section 430(h)(3)(A) of the Internal Revenue Code using static tables with separate mortality rates for annuitants and non-annuitants.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age are shown below.

Percentage retiring during the year	
Age	Retirement Rate
55	10.0
56	5.0
57	5.0
58	5.0
59	5.0
60	10.0
61	5.0
62	50.0
63	5.0
64	5.0
65	100.0

Retirement rates are only applied to participants who are eligible for retirement.

In order to determine the Schedule SB retirement age, the above ages were weighted by the probability of surviving earlier age retirement decrements and retiring in the absence of any other decrements.

Disability rates (per 100 employees)

The rates at which participants become disabled by age are shown below:

Percentage becoming disabled during the year	
Age	Disability Rate
20	0.14
25	0.15
30	0.16
35	0.19
40	0.30
45	0.45
50	0.69
55	1.19
60	1.80

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Compensation increases

For purposes of determining the additional funding target for maximum deductible contribution purposes, compensation is assumed to increase by 4.500% per annum.

Future increases in Social Security

Not applicable.

Future increases in Maximum Benefits and Plan Compensation Limitations

Accrued benefits projected to be paid in future years are limited to the maximum presently allowed under IRC Section 415. Plan compensation is limited to the maximum presently allowed under IRC Section 401(a)(17). No provision is made for future increases in the maximum annual benefit or compensation limit.

Representative termination rates (per 100 employees) not due to disability, retirement or mortality

Percentage leaving during the year		
Age	Males	Females
20	15.0	15.0
25	12.0	15.0
30	10.0	12.0
35	10.0	10.0
40	10.0	10.0
45	10.0	10.0
50	9.0	10.0
55	4.0	9.0
60	0.0	4.0

Form of payment

Participants are assumed to elect the normal form.

Marriage

For purposes of valuing the pre-retirement surviving spouse's benefit, 80% of eligible participants are assumed to be married and male spouses are assumed to be three years older than female spouses.

Employees

It was assumed that there will be no new or rehired employees.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Plan compensation

Compensation assumed paid in the current plan year beginning on the valuation date is the current annual rate of pay increased by the average variable compensation rate for the prior three years.

The amount shown includes compensation for those employees whose age on the valuation date equals or exceeds the ultimate assumed retirement age.

Asset method

Under this method, the valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: (1) the market value of assets as of the current valuation date, (2) the adjusted market value of assets as of the prior valuation date, and (3) the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date; but up to the current valuation date. The assumed rates of return on plan assets for the prior plan year and second prior plan year (pursuant to IRS Notice 2009-22) were 6.38% and 6.09%, respectively. Because expected investment returns under this method are limited under WRERA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Participant data

Employee data was supplied by the Aviall, Inc. as of the census date. Data on other participants was already in our files, since we provide administrative services for the plan.

Tax policy

The actuarial valuation performed for the plan year ending December 31, 2009 is used to determine the maximum deductible contribution for the tax year ending December 31, 2009.

Benefits not included in valuation

None.

PBGC Premium Funding Target

For purposes of determining the PBGC Premium Funding Target in Section 2.2.D, the Alternative Premium Funding Target was determined using the same assumptions described above.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Nature of actuarial calculations

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain plan provisions may be approximated or deemed insignificant and therefore are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

A range of results, different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision, which is not inherent in actuarial calculations. Certain percentages determined in this report, such as the Funding Target Attainment Percentage, are rounded to the nearest .01% (e.g., 81.58%) to be consistent with the rounding specified for Schedule SB of the Form 5500.

The assumptions selected for this valuation other than those prescribed by law, generally reflect long-term average expectations. If overall future plan experience is less favorable than assumed, the relative level of plan costs or contribution requirements determined in this valuation will likely increase in future valuations. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this actuarial valuation to analyze the potential range of future pension contributions, but we can do so upon request.

Changes in assumptions and methods since last actuarial valuation

The asset method was changed from fair market value of plan assets to the average of fair market value on the valuation date and the adjusted market value of assets on Retiree, and Employer Recovery Act of 2008 (WRERA). Changes in the asset method for plan years beginning in 2009 to any permissible asset method are deemed to be automatically approved by the IRS.

An administrative expense assumption changed from assuming no expenses included in the normal cost to assuming plan administrative expenses will be included in the normal cost.

There were no other changes in funding methods made as part of this valuation.

Schedule SB, Part V – Summary of Plan Provisions

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc.

Effective Date and Most Recent Amendment

The plan was originally effective January 1, 1994. The last amendment reflected herein is Amendment Number 15.

Plan Year

The twelve-month period ending December 31, 2009.

Coverage and Participation

All employees are eligible to participate under the plan on the first January 1 or July 1 coincident with or next following the attainment of age 21 and the completion of one year of service. Employee means any person on the payroll whose wages are subject to withholding for the purposes of federal income tax, except that the following are excluded:

- Union employees, unless they have negotiated for coverage in this plan
- Nonresident aliens with no income from U.S. sources
- leased employees

Note: If an employee meets the age requirement but fails to complete 1,000 hours of service during the first year of employment, participation will begin on the January 1 following the plan year in which 1,000 hours of service are completed.

Continuous Service

Total elapsed time from date of hire to date of termination.

Vesting Service

One year of vesting service is credited for each plan year with 1,000 or more hours of service.

Due to the provisions of Section 9.2 of the plan, all plan participants as of September 20, 2006, became 100% vested as a result of the Change of Control.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Basic Compensation

A participant's basic compensation for a particular year is the portion of total wages subject to withholding for purposes of federal income taxes, including regular pay, overtime pay, vacation pay, cost-of-living allowances, bonuses, commissions, and certain severance pay. Compensation is limited to \$200,000 (indexed beginning in 2003) as required and does not include the value of restricted stock.

Due to the provisions of Section 9.2 of the plan, all plan participants as of September 20, 2006, shall include total cash severance payments in Basic Compensation.

Normal Retirement Benefit

Normal Retirement Date: The first of the month coincident with or next following attainment of age 65.

Benefit Amount: The plan has a career average formula with the annual benefit accrual determined as follows:

1.45% times Basic Compensation up to \$15,600
plus
1.85% times Basic Compensation in excess of \$15,600.

Minimum Benefit: The minimum annual benefit is \$2,250.

Additional Benefits: Amendment Thirteen to the plan specifies a schedule of additional benefits payable to certain participants.

Normal Form of Retirement Income: Life only annuity payable monthly.

Late Retirement

If retirement occurs after the normal retirement date, the late retirement income will be the benefit calculated using the above formula with accruals through the late retirement date.

Accrued Benefit

The participant's accrued benefit at any given date is determined under the formula shown above.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Early Retirement Benefit

Eligibility: Age 55 with 10 years of continuous service.

Benefit Amount: Accrued benefit as of early retirement date multiplied by the early retirement factor shown below:

Age	Factor
65	100.0%
64	100.0%
63	100.0%
62	100.0%
61	91.7%
60	83.3%
59	79.2%
58	75.0%
57	70.8%
56	66.7%
55	62.5%

Immediate Disability Benefit

Eligibility: Total and permanent disability of participant prior to normal retirement date and age 45 with 15 years of continuous service.

Benefit Amount: Accrued benefit as of disability retirement date. The benefit is not reduced for early commencement. In lieu of this benefit, a participant may elect the deferred disability benefit described below.

Deferred Disability Benefit

Eligibility: 10 years of continuous service. (However, participants may not receive both an immediate and a deferred disability benefit. If eligible for both, one or the other must be elected.)

Benefit Commencement: Normal retirement date.

Benefit Amount: The benefit shall be calculated assuming that the participant's service and monthly rate of basic compensation as of the date of disability continued to normal retirement date.

Death of Disabled Participant Prior to Normal Retirement Date: Prior to normal retirement date, disabled participants are entitled to a death benefit identical to the one for active employees. This benefit is determined as if the disabled participant had remained in service until the date of death and the monthly rate of basic compensation as of the date of disability continued unchanged.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Vested Benefits Upon Termination of Service

Vesting: A participant is 100% vested upon completion of 5 years of vesting service. However, all participants become 100% vested upon reaching age 65.

Termination Benefit: The termination benefit is equal to the vested accrued benefit, payable in the normal form, commencing at normal retirement date. Optionally, participants with 10 years of continuous service may elect to receive a reduced benefit commencing prior to normal retirement date.

Change of Control Factor: Due to the Change of Control provisions of Section 9.2 of the plan, all participants who have attained age 45 or accrued 10 years of Continuous Service as of September 20, 2006, shall be entitled to receive enhanced early retirement factors at any time after termination and after reaching age 55. The reduction factors for early commencement are as follows:

Age	Factor	Change of Control Factor
65	100.0%	100.0%
64	93.3%	100.0%
63	86.7%	100.0%
62	80.0%	100.0%
61	73.3%	91.7%
60	66.7%	83.3%
59	63.3%	79.2%
58	60.0%	75.0%
57	56.7%	70.8%
56	53.3%	66.7%
55	50.0%	62.5%

Death of Terminated Vested Participant Prior to Commencement: The participant's spouse will receive a monthly retirement income payable for life in an amount equal to 50% of the amount the participant would have received if the participant had survived to the earliest commencement date and elected to receive a benefit under the qualified joint and 50% contingent option commencing at that date.

Due to the Change of Control provisions of Section 9.2 of the plan, all participants who have attained age 45 or has accrued 10 years of Continuous Service as of September 20, 2006, shall be considered to have met the service requirement for early retirement for the purpose of pre-retirement death benefits.

Death Benefits for Participants in Active Service

Eligibility: Married with 5 years of vesting service.

Benefit Amount: The participant's spouse will receive a monthly retirement income payable for life in an amount equal to 50% of the amount the participant would have received if the participant had survived to the earliest commencement date and elected to receive a benefit under the qualified joint and 50% contingent option commencing at that date.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Due to the Change of Control provisions of Section 9.2 of the plan, all participants who have attained age 45 or has accrued 10 years of Continuous Service as of September 20, 2006, shall be considered to have met the service requirement for early retirement for the purpose of pre-retirement death benefits.

Optional Forms of Retirement Income in Lieu of Normal Form

The plan provides optional payment forms, including the qualified joint and contingent benefit for married employees, on an actuarially equivalent basis. Actuarial equivalence for this purpose is based on a 4.75% interest rate and the 1951 Group Annuity Mortality Table projected by Scale C to 1965 with a weighting of male and female factors by 75% and 25%, respectively. Only small lump sums (under \$5,000) are permitted.

Coordination with Ryder System, Inc. (RSI) Retirement Plan

The benefits under this plan include the benefits earned under the RSI Retirement Plan prior to December 8, 1993, and benefits under this plan are also offset by any benefits payable under that plan, assuming that the participant elects to begin his RSI benefits at the later of (i) the date the Aviall benefits commence, and (ii) the earliest date the RSI benefits can commence. Ryder determines eligibility for early retirement and for early commencement of termination benefits based on the participant's age and service as of December 7, 1993.

Plan Participants' Contributions

They are not required or permitted.

Special Provisions for Top-Heavy Plans

Not applicable; the plan is not top-heavy.

Changes in Plan Provisions since Last Actuarial Valuation

None.