

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>DRS TEST & ENERGY MANAGEMENT, INC. BARGAINING UNIT 401(K) PLAN</u>	1b Three-digit plan number (PN) ► <u>002</u> 1c Effective date of plan <u>01/10/1997</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>DRS TEST & ENERGY MANAGEMENT, INC.</u> <u>110 WYNN DR NW</u> <u>HUNTSVILLE, AL 35805-1957</u>	2b Employer Identification Number (EIN) <u>38-2774090</u> 2c Sponsor's telephone number <u>256-895-2000</u> 2d Business code (see instructions) <u>541990</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>10/13/2010</u>	<u>MATTHEW TOGLIA</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") DRS TEST & ENERGY MANAGEMENT, INC. 110 WYN DR NW HUNTSVILLE, AL 35805-1957	3b Administrator's EIN 38-2774090 3c Administrator's telephone number 256-895-2000
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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	179
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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	162
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	0
d Subtotal. Add lines 6a , 6b , and 6c	6d	162
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	162
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

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:
 2E 2H 2J 2K 2T

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)

<div>SCHEDULE D</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>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>	
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009					
A Name of plan DRS TEST & ENERGY MANAGEMENT, INC. BARGAINING UNIT 401(K) PLAN				B Three-digit plan number (PN) ▶ 002	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 DRS TEST & ENERGY MANAGEMENT, INC.				D Employer Identification Number (EIN) 38-2774090	
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: STABLE VALUE FUND					
b Name of sponsor of entity listed in (a): WELLS FARGO BANK MINNESOTA, N.A.					
c EIN-PN 52-2250941-001		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:					
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)	
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)	
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	

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
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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
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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) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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 01/01/2009 and ending 12/31/2009		
A Name of plan DRS TEST & ENERGY MANAGEMENT, INC. BARGAINING UNIT 401(K) PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 DRS TEST & ENERGY MANAGEMENT, INC.	D Employer Identification Number (EIN) 38-2774090	

Part I	Asset and Liability Statement
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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) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(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)	272798	0
(9) Value of interest in common/collective trusts.....	1c(9)	727171	0
(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)	1481631	0
(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	2481600	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	2481600	0
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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)	50057	
(B) Participants	2a(1)(B)	175615	
(C) Others (including rollovers)	2a(1)(C)	1013	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		226685

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(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)	17933	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		17933

(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)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0

(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)		18060
(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)		480720
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		743398

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	432247	
(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)		432247
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)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	4527	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		4527
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		436774

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		306624
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		2788224

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: BEASON NALLY, LLP

(2) EIN: 63-1159865

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		10000000
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.).....	X		
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.	X		

- 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: 0

- 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)
DRS RETIREMENT SAVINGS PLAN	13-2632319	001

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>DRS TEST & ENERGY MANAGEMENT, INC. BARGAINING UNIT 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DRS TEST & ENERGY MANAGEMENT, INC.</u>	D Employer Identification Number (EIN) <u>38-2774090</u>

Part I	Distributions
---------------	----------------------

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>22-1211670</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	

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.
----------------	---

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: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

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): _____

**DRS Test & Energy Management, Inc. Bargaining Unit
401(k) Plan
Financial Statements**

December 21, 2009 and December 31, 2008

Table of Contents

	Page
Independent Auditor's Report	1
 Financial Statements	
Statements of Net Assets Available for Benefits as of December 21, 2009 and December 31, 2008.....	2
Statement of Changes in Net Assets Available for Benefits for the period ended December 21, 2009	3
Notes to the Financial Statements.....	4
Schedule of Nonexempt Transactions	11



Independent Auditor's Report

To the Plan Administrator
DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan
Huntsville, Alabama

We were engaged to audit the financial statements and supplemental schedule of DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan as of December 21, 2009 and December 31, 2008, and for the period ended December 21, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the United States Department of Labor's (the "DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Bank & Trust, FSB, the trustee of the Plan as of December 21, 2009 and December 31, 2008, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the custodian holds the Plan's investment assets and the trustee executes investment transactions. The Plan Administrator has obtained certifications from the trustee as of and for the period ended December 21, 2009, and as of and for the year ended December 31, 2008, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted by the United States of America and, in our opinion, are presented in compliance with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Huntsville, Alabama

September 27, 2010

Beason & Nalley, Inc.

Huntsville, AL

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DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan
Statements of Net Assets Available for Benefits
December 21, 2009 and December 31, 2008

	<u>2009</u>	<u>2008</u>
Assets:		
Investments	\$ <u>-</u>	\$ <u>2,443,060</u>
Total Assets, at fair value	-	2,443,060
Adjustment from fair value to contract value for fully benefit-responsive contracts	<u>-</u>	<u>38,539</u>
Net Assets Available for Benefits	\$ <u><u>-</u></u>	\$ <u><u>2,481,599</u></u>

The accompanying notes are an integral part of the financial statements.

DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
For the period ended December 31, 2009

Additions:	
Additions to net assets attributed to:	
Investment Income:	
Net appreciation in fair value of investments	\$ 468,608
Interest income	17,933
Dividends	<u>30,174</u>
Total	516,715
Contributions:	
Participants	175,615
Employer	50,057
Other contributions	<u>1,013</u>
Total Contributions	<u>226,685</u>
Total Additions	743,400
Deductions:	
Benefits paid to participants	432,247
Administrative expenses	<u>4,528</u>
Total Deductions	436,775
Transfer out to DRS Retirement Savings Plan	<u>2,788,224</u>
Net Decrease	(2,481,599)
Net Assets Available for Benefits:	
Beginning of year	<u>2,481,599</u>
End of year	<u><u>\$ -</u></u>

The accompanying notes are an integral part of the financial statements.

DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan
Notes to Financial Statements
December 21, 2009 and December 31, 2008

1. Description of Plan

The following description of the DRS Test & Energy Management, Inc. (the "Company") Bargaining Unit 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan was a defined contribution plan covering all employees, as defined in the Plan. It was subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions - Participants could make salary-deferred contributions to the Plan up to 15% of their annual compensation as defined in the Plan. Participants could also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants directed the investment of their contributions into various investment options offered by the Plan. The Plan offered fifteen funds as investment options for participants. The Company could contribute a matching contribution in an amount equal to a percentage of compensation declared for the year by the Board of Directors. Additional profit sharing amounts could be contributed at the option of the Company's Board of Directors. Contributions were subject to certain limitations.

Plan Merger - On October 28, 2008, the Plan Sponsor was purchased by Finmeccanica, S. P. A., an Italian corporation. Effective December 21, 2009, all assets of the Plan were merged into the DRS Retirement Savings Plan. All participants became fully vested in employer contributions as of that date.

Participant Accounts - Each participant's account was credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings and charged with an allocation of administrative expenses. Allocations were based on participant earnings, or account balances, as defined. The benefit to which a participant was entitled was the benefit that could be provided from the participant's vested account.

Vesting - Participants were vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts was based on years of continuous service. A participant was 100 percent vested after three years of credited service.

Forfeitures - Amounts of participants' forfeited nonvested accounts were applied first to cover costs of administration of the Plan and second to reduce future employer-matching contributions. Any excess forfeitures were held in a money market fund pending such application. At December 21, 2009 and December 31, 2008, forfeited nonvested accounts totaled \$0 and \$36,973, respectively.

Participant Loans - Prior to the plan merger, participants were able to borrow from their fund accounts up to a maximum of the lesser of \$50,000 or one-half of their vested account balance. The loans were secured by the balance in the participant's account and bore interest at a fixed rate that ranged from 4.25 percent to 9.25 percent, which was commensurate with local prevailing rates. All outstanding loans at the time of the merger were transferred to the DRS Retirement Savings Plan.

Payment of Benefits - On termination of service due to death, disability, retirement or other reasons, a participant could have elected to receive either a lump-sum amount equal to the value of the participant's account, or annual installments over a period which did not extend beyond the life expectancy of the participant or the joint life expectancies of the participant and his beneficiary. There was no partial vesting of benefits.

Notes to Financial Statements, Continued

Administrative Costs - The Plan sponsor paid substantially all administrative costs.

2. Summary of Accounting Policies

Basis of Accounting - As a result of the termination of the plan during 2009, the financial statements of the Plan are presented using the liquidation basis of accounting.

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, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition - The Plan's investments were stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities were recorded on a trade-date basis. Dividends were recorded on the ex-dividend rate. Participant loans were valued at cost, which approximates fair value.

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Statement of Net Assets Available for Benefits presents the fair value of investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Payment of Benefits - Benefits were recorded when paid.

3. Investment Contracts With Insurance Company

The Plan maintained a benefit-responsive investment contract with Prudential Retirement Services (Prudential) in the form of the Wells Fargo Stable Value Fund. The fund was considered fully benefit responsive. Prudential maintained the contributions in a general account. The account was credited with earnings on underlying investments and charged for participant withdrawals and administrative expenses. The contract value was the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The guaranteed investment contract issuer was contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Notes to Financial Statements, Continued

4. Information Certified by the Trustees (Unaudited)

The Plan Administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the United States DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Prudential Bank & Trust, FSB, the trustee of the Plan as December 21, 2009 and December 31, 2008, except for comparing such information certified by the trustees to information included in the Plan's financial statements and supplemental schedules.

The following table presents the fair value of the investments in this Plan that were certified by Prudential Bank & Trust, FSB. Single investments representing more than 5% of the Plan's net assets as of December 21, 2009 and December 31, 2008 are separately identified.

Investments held by Prudential Bank & Trust, FSB		
	2009	2008
Aim Dynamics Fund	\$ -	\$ 126,078
Prudential Jennison Equity Opportunity Fund	-	127,396
Massachusetts Investors Growth Stock Fund	-	246,376
Prudential Stable Value Fund	-	688,631
Washington Mutual Investors	-	224,324
Dryden International Equity Z	-	182,111
Loans, interest rates ranging from 4.25% to 9.25%	-	272,798
Other investments	-	575,346
	<u>\$ -</u>	<u>\$ 2,443,060</u>

* Denotes included in Other Investments

Prudential Bank & Trust, FSB also certified to the completeness and accuracy of net depreciation in fair value of investments, interest and dividends related to the aforementioned investments for the period ended December 21, 2009.

Mutual funds	\$ 450,548
Guaranteed interest account	<u>18,060</u>
Net change in fair value	<u><u>\$ 468,608</u></u>

Notes to Financial Statements, Continued

5. Fair Value Measurement

FASB ASC No. 820-10, *Fair Value Measurements*, provides a framework for measuring fair value under generally accepted accounting principles.. That framework provides 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 under FASB ASC 820-10 are described below:

Level 1 : Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data. Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 21, 2009 and December 31, 2008.

Mutual funds: Valued at the net asset value of shares held by the plan at year end.

Participant loans: Valued at amortized cost, which approximates fair value.

Guaranteed Interest Account: Value reported represents the estimated proceeds that would have been paid had the contract been discontinued as of the plan year end date. Value is calculated by multiplying the contractual Market Value Adjustment (MVA) by the Contract Value. The MVA formula is specified in the group annuity contract and is generally calculated by using the average rate then being credited under the contract minus the rate credited to new deposits for the plans with similar features, times the duration estimate which is generally 2.5 or 3.0 years.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes it valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Notes to Financial Statements, Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 21, 2009 and December 31, 2008:

	<u>Assets at Fair Value as of December 21, 2009</u>			
	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Index funds	\$ -	\$ -	\$ -	\$ -
Balanced funds	-	-	-	-
Growth funds	-	-	-	-
Fixed income funds	-	-	-	-
Other funds	-	-	-	-
Total mutual funds	-	-	-	-
Participant loans	-	-	-	-
Guaranteed Interest Account	-	-	-	-
Total assets at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>Assets at Fair Value as of December 31, 2008</u>			
	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Index funds	\$ 74,980	\$ -	\$ -	\$ 74,980
Balanced funds	73,144	-	-	73,144
Growth funds	957,928	-	-	957,928
Fixed income funds	151,255	-	-	151,255
Other funds	<u>224,324</u>	-	-	<u>224,324</u>
Total mutual funds	1,481,631	-	-	1,481,631
Participant loans	-	-	272,798	272,798
Guaranteed Interest Account	-	-	<u>688,631</u>	<u>688,631</u>
Total assets at fair value	<u>\$ 1,481,631</u>	<u>\$ -</u>	<u>\$ 961,429</u>	<u>\$ 2,443,060</u>

The changes in Level 3 assets and liabilities measured at fair value on a recurring basis are summarized as follows:

	<i>Guaranteed</i>	
	<i>Interest Account</i>	<i>Participant Loans</i>
Balance, December 31, 2008	\$ 688,631	\$ 272,798
Total net realized gains	18,060	-
Purchases, sales, issuances and settlements, net	<u>(706,691)</u>	<u>(272,798)</u>
Balance, December 21, 2009	<u>\$ -</u>	<u>\$ -</u>

6. Guaranteed Interest Account

The Plan entered into a benefit-responsive investment contract with Prudential Insurance Company of America (the "Prudential"). Prudential maintained the contributions in a general account. The account was credited with earnings on the underlying investments and charged for participation withdrawals and administrative expenses.

Notes to Financial Statements, Continued

The contract was included in the financial statements at the contract value as reported to the Plan by Prudential. As described in Note 2, because the GIA was fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by Prudential, represented contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants could ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The guaranteed interest account (GIA) issuer was contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

There were no reserves against contract value for credit risk of the contract issuer or otherwise. Interest was credited on contract balances using a "bucketed" approach. Under this methodology, different interest crediting rates were applied to contributions based on the calendar quarter in which the contributions were made. An interest crediting rate was established at the beginning of each calendar quarter and was applied to all contributions made during that quarter. These rates were established without the use of a specific formula. The minimum crediting rate under the contract was 3%. Plan participants could withdraw all or a portion of their GIA balance without any fees or restrictions in the event of termination of employment, retirement, disability or death.

Certain events limited the ability of the Plan to transact at contract value with the issuer. A termination of the contract by the plan sponsor could have limited the ability of the Plan to liquidate at contract value within ninety days. In this instance, contract value could have been paid over time up to a maximum one year period. There were no events that allowed the issuer to terminate the contract or which required the plan sponsor to settle at an amount different than contract value paid either within ninety days or over time.

The average yield and crediting interest rate of the investment contracts held by the GIA Fund prior to divestment on December 21, 2009 are summarized below.

Average yields	2009	2008
Based on actual earnings	3.40 %	5.29 %
Based on interest rate credited to participants	3.32 %	4.10 %

7. Tax Status

The Plan obtained its latest determination letter on February 8, 2002, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter; however, the Plan Administrator believes the Plan was designed and operated in compliance with the applicable requirements of the IRC.

8. Related-Party Transactions

Certain Plan investments were shares of mutual funds managed by Prudential Bank & Trust, FSB. Prudential Bank & Trust, FSB is the trustee as defined by the Plan, and, therefore, these transactions qualified as party-in-interest transactions. Fees paid by the Plan for the investment management services amounted to \$4,528 for the year ended December 21, 2009.

9. Subsequent Events

The Company has evaluated subsequent events through September 27, 2010, the date on which the financial statements were available for issue.

Supplementary Information

DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan
Schedule of Nonexempt Transactions
December 21, 2009

Identity of Party Involved	Relationship to Plan, Employer, or Other Party-In- Interest	Description of Transactions	Cost of Asset	Current Value of Asset	Net Gain (repaid interest) *
DRS Test & Energy Management, Inc.	Employer / Plan Sponsor	Loan to the employer in the form of late remittance of participant deferrals and/or loan repayments for the pay periods ended December 18, 2009.	\$ 3,341	\$ 3,406	\$ 65

* The plan sponsor is in the process of determining the applicable interest in order to fully correct the late remittance.

These funds are receivables of the DRS Retirement Savings Plan as the DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan did not exist at the time the late deposit was identified.

RUN DATE: 04/16/10

CYCLE: PLRPT

PLAN NBR: 310334

PLAN NAME: DRS TEST & ENERGY MANAGMENT, INC

PLAN SPONSOR EIN: 382774090

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES FOR PLAN YEAR 2009

IDENTITY OF ISSUE, BORROWER, LESSOR, OR SIMILAR PARTY	DESCRIPTION OF INVESTMENT INCLUDING MATURITY DATE, RATE OF INTEREST, COLLATERAL, PAR OR MATURITY VALUE	COST	CURRENT VALUE
PARTICIPANT LOANS	4.25% - 9.25%	0	0

**DRS Test & Energy Management, Inc. Bargaining Unit
401(k) Plan
Financial Statements**

December 21, 2009 and December 31, 2008

Table of Contents

	Page
Independent Auditor's Report	1
 Financial Statements	
Statements of Net Assets Available for Benefits as of December 21, 2009 and December 31, 2008.....	2
Statement of Changes in Net Assets Available for Benefits for the period ended December 21, 2009	3
Notes to the Financial Statements.....	4
Schedule of Nonexempt Transactions	11



Independent Auditor's Report

To the Plan Administrator
DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan
Huntsville, Alabama

We were engaged to audit the financial statements and supplemental schedule of DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan as of December 21, 2009 and December 31, 2008, and for the period ended December 21, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the United States Department of Labor's (the "DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Prudential Bank & Trust, FSB, the trustee of the Plan as of December 21, 2009 and December 31, 2008, except for comparing the information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan Administrator that the custodian holds the Plan's investment assets and the trustee executes investment transactions. The Plan Administrator has obtained certifications from the trustee as of and for the period ended December 21, 2009, and as of and for the year ended December 31, 2008, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted by the United States of America and, in our opinion, are presented in compliance with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Huntsville, Alabama

September 27, 2010

Beason & Nalley, Inc.

Huntsville, AL

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DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan
Statements of Net Assets Available for Benefits
December 31, 2009 and December 31, 2008

	<u>2009</u>	<u>2008</u>
Assets:		
Investments	\$ <u>-</u>	\$ <u>2,443,060</u>
Total Assets, at fair value	-	2,443,060
Adjustment from fair value to contract value for fully benefit-responsive contracts	<u>-</u>	<u>38,539</u>
Net Assets Available for Benefits	\$ <u><u>-</u></u>	\$ <u><u>2,481,599</u></u>

The accompanying notes are an integral part of the financial statements.

DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan
Statement of Changes in Net Assets Available for Benefits
For the period ended December 31, 2009

Additions:	
Additions to net assets attributed to:	
Investment Income:	
Net appreciation in fair value of investments	\$ 468,608
Interest income	17,933
Dividends	30,174
Total	<u>516,715</u>
Contributions:	
Participants	175,615
Employer	50,057
Other contributions	<u>1,013</u>
Total Contributions	<u>226,685</u>
Total Additions	743,400
Deductions:	
Benefits paid to participants	432,247
Administrative expenses	<u>4,528</u>
Total Deductions	436,775
Transfer out to DRS Retirement Savings Plan	<u>2,788,224</u>
Net Decrease	(2,481,599)
Net Assets Available for Benefits:	
Beginning of year	<u>2,481,599</u>
End of year	<u><u>\$ -</u></u>

The accompanying notes are an integral part of the financial statements.

DRS Test & Energy Management, Inc. Bargaining Unit 401(k) Plan
Notes to Financial Statements
December 21, 2009 and December 31, 2008

1. Description of Plan

The following description of the DRS Test & Energy Management, Inc. (the "Company") Bargaining Unit 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General - The Plan was a defined contribution plan covering all employees, as defined in the Plan. It was subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions - Participants could make salary-deferred contributions to the Plan up to 15% of their annual compensation as defined in the Plan. Participants could also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans. Participants directed the investment of their contributions into various investment options offered by the Plan. The Plan offered fifteen funds as investment options for participants. The Company could contribute a matching contribution in an amount equal to a percentage of compensation declared for the year by the Board of Directors. Additional profit sharing amounts could be contributed at the option of the Company's Board of Directors. Contributions were subject to certain limitations.

Plan Merger - On October 28, 2008, the Plan Sponsor was purchased by Finmeccanica, S. P. A., an Italian corporation. Effective December 21, 2009, all assets of the Plan were merged into the DRS Retirement Savings Plan. All participants became fully vested in employer contributions as of that date.

Participant Accounts - Each participant's account was credited with the participant's contribution and allocations of (a) the Company's contribution and (b) Plan earnings and charged with an allocation of administrative expenses. Allocations were based on participant earnings, or account balances, as defined. The benefit to which a participant was entitled was the benefit that could be provided from the participant's vested account.

Vesting - Participants were vested immediately in their contributions plus actual earnings thereon. Vesting in the Company's contribution portion of their accounts was based on years of continuous service. A participant was 100 percent vested after three years of credited service.

Forfeitures - Amounts of participants' forfeited nonvested accounts were applied first to cover costs of administration of the Plan and second to reduce future employer-matching contributions. Any excess forfeitures were held in a money market fund pending such application. At December 21, 2009 and December 31, 2008, forfeited nonvested accounts totaled \$0 and \$36,973, respectively.

Participant Loans - Prior to the plan merger, participants were able to borrow from their fund accounts up to a maximum of the lesser of \$50,000 or one-half of their vested account balance. The loans were secured by the balance in the participant's account and bore interest at a fixed rate that ranged from 4.25 percent to 9.25 percent, which was commensurate with local prevailing rates. All outstanding loans at the time of the merger were transferred to the DRS Retirement Savings Plan.

Payment of Benefits - On termination of service due to death, disability, retirement or other reasons, a participant could have elected to receive either a lump-sum amount equal to the value of the participant's account, or annual installments over a period which did not extend beyond the life expectancy of the participant or the joint life expectancies of the participant and his beneficiary. There was no partial vesting of benefits.

Notes to Financial Statements, Continued

Administrative Costs - The Plan sponsor paid substantially all administrative costs.

2. Summary of Accounting Policies

Basis of Accounting - As a result of the termination of the plan during 2009, the financial statements of the Plan are presented using the liquidation basis of accounting.

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, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition - The Plan's investments were stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities were recorded on a trade-date basis. Dividends were recorded on the ex-dividend rate. Participant loans were valued at cost, which approximates fair value.

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Statement of Net Assets Available for Benefits presents the fair value of investment contracts as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

Payment of Benefits - Benefits were recorded when paid.

3. Investment Contracts With Insurance Company

The Plan maintained a benefit-responsive investment contract with Prudential Retirement Services (Prudential) in the form of the Wells Fargo Stable Value Fund. The fund was considered fully benefit responsive. Prudential maintained the contributions in a general account. The account was credited with earnings on underlying investments and charged for participant withdrawals and administrative expenses. The contract value was the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The guaranteed investment contract issuer was contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

Notes to Financial Statements, Continued

4. Information Certified by the Trustees (Unaudited)

The Plan Administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the United States DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by Prudential Bank & Trust, FSB, the trustee of the Plan as December 21, 2009 and December 31, 2008, except for comparing such information certified by the trustees to information included in the Plan's financial statements and supplemental schedules.

The following table presents the fair value of the investments in this Plan that were certified by Prudential Bank & Trust, FSB. Single investments representing more than 5% of the Plan's net assets as of December 21, 2009 and December 31, 2008 are separately identified.

Investments held by Prudential Bank & Trust, FSB	2009	2008
Aim Dynamics Fund	\$ -	\$ 126,078
Prudential Jennison Equity Opportunity Fund	-	127,396
Massachusetts Investors Growth Stock Fund	-	246,376
Prudential Stable Value Fund	-	688,631
Washington Mutual Investors	-	224,324
Dryden International Equity Z	-	182,111
Loans, interest rates ranging from 4.25% to 9.25%	-	272,798
Other investments	-	575,346
	<u>\$ -</u>	<u>\$ 2,443,060</u>

* Denotes included in Other Investments

Prudential Bank & Trust, FSB also certified to the completeness and accuracy of net depreciation in fair value of investments, interest and dividends related to the aforementioned investments for the period ended December 21, 2009.

Mutual funds	\$ 450,548
Guaranteed interest account	<u>18,060</u>
Net change in fair value	<u><u>\$ 468,608</u></u>

Notes to Financial Statements, Continued

5. Fair Value Measurement

FASB ASC No. 820-10, *Fair Value Measurements*, provides a framework for measuring fair value under generally accepted accounting principles. That framework provides 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 under FASB ASC 820-10 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data. Inputs to the valuation methodology include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 21, 2009 and December 31, 2008.

Mutual funds: Valued at the net asset value of shares held by the plan at year end.

Participant loans: Valued at amortized cost, which approximates fair value.

Guaranteed Interest Account: Value reported represents the estimated proceeds that would have been paid had the contract been discontinued as of the plan year end date. Value is calculated by multiplying the contractual Market Value Adjustment (MVA) by the Contract Value. The MVA formula is specified in the group annuity contract and is generally calculated by using the average rate then being credited under the contract minus the rate credited to new deposits for the plans with similar features, times the duration estimate which is generally 2.5 or 3.0 years.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Notes to Financial Statements, Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 21, 2009 and December 31, 2008:

	<u>Assets at Fair Value as of December 21, 2009</u>			
	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Index funds	\$ -	\$ -	\$ -	\$ -
Balanced funds	-	-	-	-
Growth funds	-	-	-	-
Fixed income funds	-	-	-	-
Other funds	-	-	-	-
Total mutual funds	-	-	-	-
Participant loans	-	-	-	-
Guaranteed Interest Account	-	-	-	-
Total assets at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	<u>Assets at Fair Value as of December 31, 2008</u>			
	Level 1	Level 2	Level 3	Total
Mutual Funds:				
Index funds	\$ 74,980	\$ -	\$ -	\$ 74,980
Balanced funds	73,144	-	-	73,144
Growth funds	957,928	-	-	957,928
Fixed income funds	151,255	-	-	151,255
Other funds	<u>224,324</u>	-	-	<u>224,324</u>
Total mutual funds	1,481,631	-	-	1,481,631
Participant loans	-	-	272,798	272,798
Guaranteed Interest Account	-	-	<u>688,631</u>	<u>688,631</u>
Total assets at fair value	<u>\$ 1,481,631</u>	<u>\$ -</u>	<u>\$ 961,429</u>	<u>\$ 2,443,060</u>

The changes in Level 3 assets and liabilities measured at fair value on a recurring basis are summarized as follows:

	<i>Guaranteed</i>	
	<i>Interest Account</i>	<i>Participant Loans</i>
Balance, December 31, 2008	\$ 688,631	\$ 272,798
Total net realized gains	18,060	-
Purchases, sales, issuances and settlements, net	<u>(706,691)</u>	<u>(272,798)</u>
Balance, December 21, 2009	\$ <u>-</u>	\$ <u>-</u>

6. Guaranteed Interest Account

The Plan entered into a benefit-responsive investment contract with Prudential Insurance Company of America (the "Prudential"). Prudential maintained the contributions in a general account. The account was credited with earnings on the underlying investments and charged for participation withdrawals and administrative expenses.

Notes to Financial Statements, Continued

The contract was included in the financial statements at the contract value as reported to the Plan by Prudential. As described in Note 2, because the GIA was fully benefit-responsive, contract value is the relevant measurement attribute for that portion of the net assets available for benefits attributable to the guaranteed investment contract. Contract value, as reported to the Plan by Prudential, represented contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. Participants could ordinarily direct the withdrawal or transfer of all or a portion of their investment at contract value. The guaranteed interest account (GIA) issuer was contractually obligated to repay the principal and a specified interest rate that is guaranteed to the Plan.

There were no reserves against contract value for credit risk of the contract issuer or otherwise. Interest was credited on contract balances using a "bucketed" approach. Under this methodology, different interest crediting rates were applied to contributions based on the calendar quarter in which the contributions were made. An interest crediting rate was established at the beginning of each calendar quarter and was applied to all contributions made during that quarter. These rates were established without the use of a specific formula. The minimum crediting rate under the contract was 3%. Plan participants could withdraw all or a portion of their GIA balance without any fees or restrictions in the event of termination of employment, retirement, disability or death.

Certain events limited the ability of the Plan to transact at contract value with the issuer. A termination of the contract by the plan sponsor could have limited the ability of the Plan to liquidate at contract value within ninety days. In this instance, contract value could have been paid over time up to a maximum one year period. There were no events that allowed the issuer to terminate the contract or which required the plan sponsor to settle at an amount different than contract value paid either within ninety days or over time.

The average yield and crediting interest rate of the investment contracts held by the GIA Fund prior to divestment on December 21, 2009 are summarized below.

Average yields	2009	2008
Based on actual earnings	3.40 %	5.29 %
Based on interest rate credited to participants	3.32 %	4.10 %

7. Tax Status

The Plan obtained its latest determination letter on February 8, 2002, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter; however, the Plan Administrator believes the Plan was designed and operated in compliance with the applicable requirements of the IRC.

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Identity of Party Involved	Relationship to Plan, Employer, or Other Party-In- Interest	Description of Transactions	Cost of Asset	Current Value of Asset	Net Gain (repaid interest) *
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