

<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>Annual Return/Report of Employee Benefit Plan</div> <div>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).</div> <div>▶ Complete all entries in accordance with the instructions to the Form 5500.</div>	<div>OMB Nos. 1210-0110 1210-0089</div> <div>2009</div> <div>This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009	
A	This return/report is for: <div><div>☐ a multiemployer plan;</div><div>☒ a single-employer plan;</div><div>☐ a multiple-employer plan; or</div><div>☐ a DFE (specify) ____</div></div>
B	This return/report is: <div><div>☐ the first return/report;</div><div>☐ the final return/report;</div><div>☐ an amended return/report;</div><div>☐ a short plan year return/report (less than 12 months).</div></div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: <div><div>☒ Form 5558;</div><div>☐ automatic extension;</div><div>☐ the DFVC program;</div><div>☐ special extension (enter description)</div></div>

Part II	Basic Plan Information—enter all requested information
1a	Name of plan USA RETIREMENT PLAN
1b	Three-digit plan number (PN) ▶ 117
1c	Effective date of plan 01/01/1999
2a	Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) UNITED SPACE ALLIANCE LLC 1150 GEMINI STREET HOUSTON, TX 77058-2708
2b	Employer Identification Number (EIN) 76-0492757
2c	Sponsor's telephone number 281-212-6163
2d	Business code (see instructions) 336410

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	Filed with authorized/valid electronic signature.	10/15/2010	STEPHEN EDGE
	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

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") STEVE D EDGE BENEFITS PLAN ADMINISTRATOR 1150 GEMINI AVENUE HOUSTON, TX 77058-0000	3b Administrator's EIN 72-1590233 3c Administrator's telephone number 281-212-6163
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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	7881
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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	3489
b Retired or separated participants receiving benefits.....	6b	1393
c Other retired or separated participants entitled to future benefits.....	6c	2746
d Subtotal. Add lines 6a , 6b , and 6c	6d	7628
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	148
f Total. Add lines 6d and 6e	6f	7776
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	19

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 1E 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>USA RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>117</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>UNITED SPACE ALLIANCE LLC</u>	D Employer Identification Number (EIN) <u>76-0492757</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>298476451</u>
b	Actuarial value 2b <u>328324096</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>1367</u> <u>123116333</u>
b	For terminated vested participants 3b <u>2578</u> <u>61817875</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>4656761</u>
(2)	Vested benefits 3c(2) <u>209200891</u>
(3)	Total active 3c(3) <u>3936</u> <u>213857652</u>
d	Total 3d <u>7881</u> <u>398791860</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>6.88</u> %
6	Target normal cost 6 <u>14481652</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>10/08/2010</u> Date <u>08-06326</u> Most recent enrollment number <u>281-882-6352</u> Telephone number (including area code)
Signature of actuary <u>GEORGE C. SANGER</u> Type or print name of actuary <u>HEWITT ASSOCIATES LLC</u> Firm name <u>2601 RESEARCH FOREST DRIVE</u> <u>THE WOODLANDS, TX 77381-4211</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)	21994	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	21994	0
10	Interest on item 9 using prior year's actual return of <u>-28.28</u> %	-6220	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		10090588
b	Interest on (a) using prior year's effective rate of <u>6.38</u> %		643780
c	Total available at beginning of current plan year to add to prefunding balance		10734368
d	Portion of (c) to be added to prefunding balance.....		10734368
12	Reduction in balances due to elections or deemed elections.....	15774	1443761
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	9290607

Part III		Funding percentages	
14	Funding target attainment percentage.....	14	80.00 %
15	Adjusted funding target attainment percentage.....	15	80.00 %
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	106.20 %
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		
04/15/2009	7346250						
07/10/2009	7571975						
10/13/2009	7115221						
12/17/2009	7115220						
			Totals ►	18(b)	29148666	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 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 27952929
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

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 4
22 Weighted average retirement age				22 65
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	0
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	14481652
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	79758371	13445136
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	27926788
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	27926788
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	27952929
38 Interest-adjusted excess contributions for current year (see instructions).....	38	26141
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

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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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
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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 USA RETIREMENT PLAN	B Three-digit plan number (PN) ►	117
C Plan sponsor's name as shown on line 2a of Form 5500 UNITED SPACE ALLIANCE LLC	D Employer Identification Number (EIN) 76-0492757	

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)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	319640306	410058891
(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)		
(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	319640306	410058891

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	319640306	410058891
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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)	35411666	
(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)		35411666

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)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0

(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)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		69361027
(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)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		104772693

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	14354108	
(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)		14354108
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)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		14354108

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		90418585
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: PRICEWATERHOUSECOOPERS LLP

(2) EIN: 13-4008324

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		5000000
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.			

- 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>USA RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>117</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>UNITED SPACE ALLIANCE LLC</u>	D Employer Identification Number (EIN) <u>76-0492757</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>13-5581829</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.
----------------	---

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

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: 28% Investment-Grade Debt: 41% High-Yield Debt: 3% Real Estate: 0% Other: 28%

- 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): OPTION ADJUSTED DURATION



USA Retirement Plan

Financial Statements

December 31, 2009 and 2008

USA Retirement Plan

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Report of Independent Auditor

To the Participants and Administrator of the
USA Retirement Plan

We were engaged to audit the financial statements and supplemental schedules of USA Retirement Plan (the "Plan") at December 31, 2009 and December 31, 2008 and for the year ended December 31, 2009, as listed in the accompanying index. These financial statements and schedules are the responsibility of the Plan's management.

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, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 9, which was certified by The Bank of New York Mellon, N.A., the Trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the Trustee as of December 31, 2009 and for the year ended December 31, 2009, 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 schedules taken as a whole. The form and content of the information included in the financial statements and 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 the Employee Retirement Income Security Act of 1974.

We have audited the financial statements of the Plan as of December 31, 2008, in our report dated October 14, 2009, we expressed our opinion that such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2008, in conformity with generally accepted accounting principles.

A handwritten signature in cursive script, reading "PricewaterhouseCoopers LLP".

Houston, Texas
October 13, 2010

USA Retirement Plan
Statements of Net Assets Available for Plan Benefits
December 31, 2009 and 2008

	2009	2008
Assets		
Investment in the USA Defined Benefit Master Trust, at fair value	\$ 377,168,973	\$ 298,257,799
Net assets held in 401(h) account	<u>32,889,918</u>	<u>21,382,507</u>
Total assets	<u>410,058,891</u>	<u>319,640,306</u>
Liabilities		
Amounts related to obligation of 401(h) account	<u>32,889,918</u>	<u>21,382,507</u>
Total liabilities	<u>32,889,918</u>	<u>21,382,507</u>
Net assets available for plan benefits	<u>\$ 377,168,973</u>	<u>\$ 298,257,799</u>

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

USA Retirement Plan

Statements of Changes in Net Assets Available for Plan Benefits Years Ended December 31, 2009 and 2008

	2009	2008
Net assets available for plan benefits, beginning of year	<u>\$ 298,257,799</u>	<u>\$ 418,837,171</u>
Net income (loss) from investment in the USA Defined Benefit Master Trust	64,116,616	(118,339,351)
Benefit payments	(14,354,108)	(12,511,245)
Employer contributions	<u>29,148,666</u>	<u>10,271,224</u>
Net increase (decrease)	<u>78,911,174</u>	<u>(120,579,372)</u>
Net assets available for plan benefits, end of year	<u>\$ 377,168,973</u>	<u>\$ 298,257,799</u>

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

USA Retirement Plan
Statement of Accumulated Plan Benefits
December 31, 2008

Actuarial present value of accumulated plan benefits

Vested benefits

Participants currently receiving benefit payments

\$ 110,572,626

Other participants

220,806,434

Total vested benefits

331,379,060

Nonvested benefits

4,454,727

Total actuarial present value of accumulated plan benefits

\$ 335,833,787

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

USA Retirement Plan
Statement of Changes in Accumulated Plan Benefits
Year Ended December 31, 2008

Actuarial present value of accumulated plan benefits, beginning of year	<u>\$ 311,323,575</u>
Increase during the year attributable to	
Net benefits accumulated including experience for year	11,192,028
Increase for interest due to decrease in the discount period	25,218,507
Benefit payments	(12,511,245)
Changes in actuarial assumptions	<u>610,922</u>
Net increase	<u>24,510,212</u>
Actuarial present value of accumulated plan benefits, end of year	<u>\$ 335,833,787</u>

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

USA Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

1. Description of the Plan

The following brief description of the USA Retirement Plan (the "Plan") sponsored by United Space Alliance, LLC ("USA" or the "Company"), is provided for general purposes only. Participants should refer to the Plan document for more complete information. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

General

The Plan was established as a carve-out from a Boeing North American Retirement Plan (the "BNA Plan"), which was sponsored by Boeing North American ("BNA") for Rockwell International Corporation ("Rockwell"). In 1996, the National Aeronautics & Space Administration ("NASA") consolidated several contracts into one contract, the Space Flight Operations Contract (the "SFOC"), which was awarded to USA. Accordingly, certain employees of Rockwell became employees of USA and, effective March 1, 1999, BNA transferred assets and liabilities to the Plan for the benefit of certain employees previously covered by the BNA Plan. Effective October 1, 2006, USA and NASA entered into the Space Program Operations Contract (SPOC). The SPOC contract is effective beginning October 1, 2006 to September 30, 2010, plus, if exercised, 5 option periods of a single year (for a potential total period performance of nine years). The government awarded an award-fee/performance-fee contract structured similarly to the terms of the extension under the SFOC.

USA previously sponsored, and maintained the USA Retirement Plan as three separate plans consisting of the Plan along with two affiliated plans, the USA Retirement Plan – Former AlliedSignal Sub Plan (the "Allied Plan") and the USA Retirement Plan – Former Unisys Sub Plan (the "Unisys Plan"). On November 8, 2001, USA executed a resolution to authorize the merger of the assets and liabilities of the Allied Plan and the Unisys Plan with and into the Plan effective as of December 31, 2001, (the "Merger"). Accordingly, The Bank of New York Mellon ("Mellon" or the "Master Trustee") was authorized to transfer such assets into the Plan on December 31, 2001, and to maintain these assets in one account as the USA Retirement Plan. In connection with the merger, the Plan was hereinafter renamed as the USA Retirement Plan. These transferred assets are for the benefit of all eligible employees participating in the USA Retirement Plan.

Eligibility

The Plan covers all former employees of Rockwell employed under the NASA/Rockwell contract, all former employees of Rockwell subsequently employed by USA under the SFOC, and all participants who were receiving benefits from the BNA Plan or who were terminated but eligible to receive a benefit under the BNA Plan.

In addition, effective December 31, 2001, in connection with the Merger of the Allied Plan and the Unisys Plan, the Plan covers all former employees of AlliedSignal Technical Services Corporation ("Allied") and Unisys Corporation ("Unisys") employed under the respective subcontracts of the Space Transportation System Operations Contract ("STSOC"), all former employees of Allied and Unisys subsequently employed by USA under the SFOC, and all participants who were receiving benefits from the STSOC Retirement Plan or who were terminated but eligible to receive a benefit under the STSOC Retirement Plan. The Plan also provides for retroactive coverage to substantially all employees of USA hired on or after June 1, 1996, as defined by the Plan, former Allied and Unisys rehires and all employees who transferred to USA and work in Houston on or after June 1, 1996, who were former employees of Lockheed Martin Space Operations ("LMSO") and who worked at LMSO in Florida ("LMSO Transfers").

USA Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

In September 2006, USA executed a resolution to discontinue participation in the Plan for employees hired after October 1, 2006. Eligible employees prior to October 1, 2006 will continue to accrue benefits until retirement date.

Administration

The Benefits Plan Administrator of the Company is responsible for the operation and administration of the Plan and is authorized to redelegate such responsibilities to the Benefits Administrative Committee of the Company (the "Committee") as the administrator may deem necessary and appropriate.

Master Trust

On July 1, 1999, USA entered into a defined benefit master trust agreement, known as the USA Defined Benefit Master Trust (the "Master Trust"), with Mellon. The Master Trust was established for the collective investment of certain defined benefit plans sponsored by USA. In July 1999, the Plan adopted the Master Trust and, accordingly, transferred the assets of the Plan to the Master Trust.

Pension Benefits

Participants generally become fully vested after five years of vesting service, as defined by the Plan. There is no partial vesting of benefits. The Plan provides for normal retirement benefits when employees reach the later of age 65 or the fifth anniversary of the most recent date on which the participant became an employee and has provisions for early retirement and death benefits. Disability benefits are available to certain grandfathered employees. Upon retirement, the amount of benefits under the Plan is the highest amount determined based on three different computations: (a) the Regular Benefit Formula, (b) the Career Average Earnings Formula, or (c) the Minimum Benefit Formula, as provided by the Plan. Under each benefit computation, the annual benefit is a percentage of earnings or average annual earnings multiplied or adjusted by years of credited service, as defined by the Plan.

Benefits are payable in the form of a joint and survivor annuity, a single-life annuity, or other optional payment forms as set forth in the plan document.

If the present value of the pension benefits for participants other than certain grandfathered employees, as of the participant's normal retirement age does not exceed \$5,000, the vested portion of the benefit will be distributed in a lump sum.

Depending on age and credited service at the time of retirement, certain grandfathered employees may qualify for other benefit supplements in addition to the basic benefit as set forth in the plan document.

The Plan also provides certain medical benefits (Note 2).

Expenses

The Plan's administrative and investment expenses may be paid by USA at the Committee's election. During 2009 and 2008, certain investment expenses were paid by the Master Trust and allocated monthly to the participating plans (Note 10). All other administrative expenses were paid by USA. Fees paid by USA on behalf of the Plan for administrative services amounted to \$1,194,527 and \$1,526,885 for the years ended December 31, 2009 and 2008, respectively.

USA Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

Recent Accounting Pronouncements

On July 1, 2009, the Company adopted ASC 105, Generally Accepted Accounting Principles, which establishes the FASB Accounting Standards Codification ("the Codification" or "ASC") as the source of authoritative accounting principles recognized by FASB to be used by non-governmental entities in the preparation of financial statements presented in conformity with generally accepted accounting principles in the United States (GAAP). The Codification reorganized the pre-Codification GAAP into approximately 90 accounting topics. References to accounting principles in the notes to the Company's financial statements included in this report have been changed to reflect ASC references resulting from the Codification.

Following the Codification, the Board will not issue new standards in the form of Statements, FASB Staff Positions or Emerging Issues Task Force Abstracts. Instead, it will issue Accounting Standards Updates ("ASU") which will serve to update the Codification, provide background information about the guidance and provide the basis for conclusions on the changes to the Codification.

In 2010, the FASB issued ASU No. 2010-06 which amends Fair Value Measurements and Disclosures – Overall (ASC Topic 820-10). This update requires a gross presentation of activities within the Level 3 rollforward and adds a new requirement to disclose transfers in and out of Level 1 and 2 measurements. The update further clarifies the existing disclosure requirements in ASC 820-10 regarding: i) the level of disaggregation of fair value measurements; and ii) the disclosures regarding inputs and valuation techniques. This update will be effective for our fiscal year beginning January 1, 2010 except for the gross presentation of the Level 3 transfers in and transfers out information, which is effective for the current fiscal year. The principal impact from this update will be expanded disclosures regarding our fair value measurements.

In March 2008, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 161, "Disclosures about Derivative Instruments and Hedging Activities - an amendment of FASB Statement No. 133" (ASC Topic 815), which expands the disclosure requirements in FASB Statement No. 133 about an entity's derivative instruments and hedging activities. ASC Topic 815 was effective for fiscal years and interim periods beginning after November 15, 2008. The adoption of this guidance did not have a material effect on the Plan's financial statements.

In April 2009, the FASB issued FASB Staff Position ("FSP") No. 157-4, "Determining Fair Value When the Volume and Level of Activity for the Asset or Liability Have Significantly Decreased and Identifying Transactions That Are Not Orderly" ("ASC 820-10-65"). ASC 820-10-65 relates to determining fair values when there is no active market or where the price inputs being used represent distressed sales. It reaffirms the FAS 157 ("ASC 820") objective of fair value measurement to reflect how much an asset would be sold for in an orderly transaction (as opposed to a distressed or forced transaction) at the date of the financial statements under current market conditions. Specifically, it reaffirms the need to use judgment to ascertain if a formerly active market has become inactive and in determining fair values when markets have become inactive. ASC 820-10-65 is effective for fiscal years ending after June 15, 2009. The adoption of this guidance did not have a material effect on the Plan's financial statements.

USA Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

In May 2009, the FASB issued FAS 165 ("ASC 855-10") a new accounting standard that requires disclosure in the financial statements to reflect the effects of subsequent events that provide additional information on conditions about the financial statements as of the Statements of Assets Available for Benefits date (recognized subsequent events) and disclosure of subsequent events that provide additional information about conditions after the Statements of Assets Available for Benefits date, if the financial statements would otherwise be misleading (unrecognized subsequent events). The Plan adopted the accounting standard as of December 31, 2009. Events or transactions occurring after period end through the date that the financial statements were issued, have been evaluated in the preparation of the financial statements.

In 2009, the FASB issued ASU No. 2009-12 which provides amendments to Fair Value Measurements and Disclosures – Overall (ASC Topic 820-10), for the fair value measurement of investments in certain entities that calculate net asset value per share. The update permits as a practical expedient, a reporting entity to measure the fair value of an investment on the basis of the NAV per share of the investment if the NAV is calculated in a manner consistent with the measurement principles of Topic 946 "Financial Services – Investment Companies". The update requires disclosure by major category of investment about the attributes of investments, such as the nature of the restrictions on the investor's ability to redeem its investments at the measurement date, any unfunded commitments, and the investment strategies of the investees. The adoption of this update did not have a material effect on the Plan's financial statements.

2. 401(h) Account

Effective January 1, 2004, the Plan was amended to include a medical-benefit component in addition to normal retirement benefits to fund a portion of the postretirement obligations for retirees and a spouse or dependent of the retiree in accordance with Section 401(h) of the Internal Revenue Code ("IRC"). A separate account was established for such contributions in the master trust (Note 10). In accordance with IRC Section 401(h), the Plan's investments in the 401(h) account may not be used for, or diverted to, any purpose other than providing health benefits for retirees and a spouse or dependent of the retiree. The related obligations for health benefits are not included in the Plan's obligations in the statement of accumulated plan benefits but are reported as obligations in the financial statements of the health and welfare benefit plan.

3. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Investments

Quoted market prices are used to value the investments of the Master Trust other than common/collective trusts. The common/collective trusts are valued based upon the market value of the underlying securities. The Plan's net investment income from the Master Trust is reflected in the statement of changes in net assets available for benefits as net income from investment in the Master Trust (Note 10).

As of December 31, 2009 and 2008, a portion of the Master Trust's assets are invested in derivative instruments in the form of mortgage pass-through forward commitments and futures contracts. An investment manager is authorized to use these instruments subject to objectives and guidelines established by the Committee. The investment manager uses such instruments to enhance returns on investments, manage portfolio risk, and hedge against market and interest rate fluctuations.

USA Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

All derivative instruments have been recorded in the financial statements of the Master Trust at fair value. The Master Trust's statements of participating plans' equity reflects the following for derivative instruments at December 31, 2009 and 2008:

	2009	2008
Mortgage pass-through forward commitments, included in U.S. government securities	\$ 109,258,000	\$ 86,426,000

The statement of investment gain (loss) of the Master Trust reflects changes in the fair value of the mortgage pass-through forward commitments as net appreciation in fair value of U.S. government securities.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Benefit Payments

Benefits are recorded when paid. Metropolitan Life Insurance Company is the paying agent for distribution of benefits under the Plan.

Accumulated Plan Benefits

Accumulated plan benefits are those future benefit payments attributable under the Plan's provisions to service that employees have rendered. The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the benefit information date and the expected payment dates. The effect of plan amendments on accumulated plan benefits is recognized during the year in which such amendments become effective, but not prior to adoption. The actuarial present value of accumulated plan benefits was calculated as of January 1, 2009.

The significant actuarial assumptions used in determining accumulated Plan benefits as of December 31, 2008, are as follows:

Investment return	8.25% compounded annually
Mortality	2009 IRC 430 Static Annuitant and Nonannuitant Mortality Table
Retirement	Rates varying by age (55-70) and service for Grandfathered employees

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.

Use of Estimates

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

USA Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

4. Funding Policy

Contributions to provide benefits under the Plan are made solely by USA. USA's funding policy is to make cash contributions to the Plan in amounts at least equal to the minimum required contribution as actuarially derived. During 2009 and 2008, USA contributed \$29,148,666 and \$10,271,224, respectively, to the Plan. These amounts met the ERISA minimum funding requirements.

Funding for medical benefits is described in Note 2.

On August 17, 2006, the Pension Protection Act of 2006 ("PPA Act"), a comprehensive pension reform legislation which revised many rules surrounding defined benefit plans was signed into law. The plan sponsor has implemented the provisions of the PPA Act and the impacts have been included in the Plan's financial statements.

5. Plan Termination

In the event the Plan is terminated, the net assets of the Plan will be distributed 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 survivors' 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. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For Plan terminations occurring during 2009 that ceiling is \$4,500 per month. That ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

If the Plan is terminated at some future time, whether all participants receive their benefits 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. The then existing assets and the PBGC guarantee may fully or partially provide some benefits while they may not provide for other benefits at all.

6. Tax Status

The Plan obtained its latest determination letter on July 30, 2009, which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code. The Plan has been amended since receiving the determination letter, however, the plan administrator and the plan's tax counsel believe that the plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code.

USA Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

7. Related-Party Transactions

During 2009 and 2008, certain Plan investments were managed by Mellon or its affiliates. As Mellon has served as the Master Trustee and custodian of the Plan during these years, these transactions qualified as party-in-interest transactions, exempt as defined in ERISA Section 408 and regulations thereunder.

8. Risks and Uncertainties

The Plan, through its investment in the Master Trust, provides for investment in various investment securities (Note 10). Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and may impact the funded position of the Plan. As a result, the Plan may require additional funding in subsequent years.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

9. Information Certified by the Plan's Trustee

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Plan's trustee has certified that the following data included in the accompanying financial statements is complete and accurate as of December 31, 2009 and the year then ended:

- Investments, as shown in the statements of net assets available for benefits and in Note 3, 10 and 11.
- Interest and dividend income, as shown in the statement of changes in net assets available for benefits.

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and accordingly, such data is unaudited.

10. Investment in USA Defined Benefit Plan Master Trust

The Master Trust is a trust established for the Plan and several other defined benefit plans sponsored by USA. The following benefit plans participate in the Master Trust:

- USA Retirement Plan
- USA SRB Retirement Plan
- USA FERC Retirement Plan
- USA Retirement Plan for Employees at USA Florida Operations
- USA Retirement Plan for Hourly Employees

USA Retirement Plan
Notes to Financial Statements
December 31, 2009 and 2008

Each participating defined benefit plan has an undivided interest in the Master Trust. At December 31, 2009 and 2008, the Plan's interest in the net assets of the Master Trust was approximately 63.2% and 63.6%, respectively. The participating defined benefit plans originally purchased units of the Master Trust at a unit value of \$1 per unit. The value of the units in the Master Trust is adjusted at the end of each month to reflect the earnings (losses) on investments plus the market value appreciation or (depreciation) of investments, net of investment-related expenses. Master Trust units are purchased and redeemed based upon the prior month's unit value.

The following table presents the participating plans' equity of the Master Trust as of December 31, 2009 and 2008:

	2009	2008
Interest bearing cash	\$ 1,844,675	\$ 100,463
Common/collective trusts	183,444,251	142,078,059
Preferred stocks	1,605,646	1,180,221
Common stocks	205,160,744	136,239,659
U.S. government securities	105,168,029	205,641,569
Corporate debt instruments	110,070,120	94,915,766
Foreign debt instruments	9,267,262	8,633,631
Total investments	616,560,727	588,789,368
Receivables, including receivable on investments sold, dividend and interest receivable	27,127,816	84,322,193
Liabilities relating to purchases pending	(46,783,995)	(204,717,638)
Participating plan's equity	<u>\$ 596,904,548</u>	<u>\$ 468,393,923</u>

The investment gain and loss for the Master Trust for the years ended December 31, 2009 and 2008, is as follows:

	2009	2008
Dividends	\$ 2,643,703	\$ 3,005,626
Interest	9,857,395	11,872,162
Net gain (loss) from:		
Common/collective trusts	34,504,107	(72,138,533)
Preferred stocks	105,249	(420,526)
Common stocks	43,632,686	(107,721,056)
U.S. government securities	935,747	5,368,929
Corporate debt instruments	12,170,284	(21,661,134)
Other	138,587	171,631
	103,987,758	(181,522,901)
Investment expenses	(1,913,718)	(2,390,603)
Total investment gain (loss)	<u>\$ 102,074,040</u>	<u>\$ (183,913,504)</u>

USA Retirement Plan
Notes to Financial Statements
December 31, 2009 and 2008

11. Fair Value Measurements

In September, 2006, the FASB issued accounting guidance on determining the fair value measurements. The guidance defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Effective January 1, 2008, the Company adopted this guidance for certain financial assets and liabilities. The Company has applied the provisions of the statement to its disclosures related to assets and liabilities which are measured at fair value on a recurring basis (at least annually).

The guidance requires disclosures that categorize assets and liabilities measured at fair value into one of three different levels depending on the observability of the inputs employed in the measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are observable inputs other than quoted prices included within Level 1 for the asset or liability, either directly or indirectly through the market-corroborated inputs. Level 3 inputs are unobservable inputs for the asset or liability reflecting our assumptions about pricing by market participants. The Company classifies assets and liabilities in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's methodology for categorizing assets and liabilities that are measured at fair value pursuant to this hierarchy gives the highest priority to unadjusted quoted prices in active markets and the lowest level to unobservable inputs.

The following table summarizes the assets and liabilities measured at fair value on a recurring basis as of December 31, 2009. Assets consist of securities held on behalf of the Plan's in a Master Trust (Note 10), which is valued using models, based on readily observable market parameters and therefore, is classified as Level 2.

The fair value measurements at December 31, 2009 and their related inputs at the Master Trust level are as follows:

	Fair Value	Level 1	Level 2	Level 3
Interest bearing cash	\$ 1,844,675	\$ 1,844,675	\$ -	\$ -
Common/collective trusts				
Cash equivalents	14,643,032	14,643,032	-	-
U.S. Treasury	247,900	247,900	-	-
Common stocks	110,389,045	108,468,597	1,920,448	-
Other investment companies	47,076,936	-	47,076,936	-
Convertible securities	2,906,624	-	2,906,624	-
Short-term securities	8,180,713	2,065,837	6,114,876	-
Preferred stocks	1,605,646	1,605,646	-	-
Common stocks	205,160,744	205,160,744	-	-
U.S. government securities	105,168,029	89,238,579	15,929,450	-
Corporate debt instruments	110,070,120	110,070,120	-	-
Foreign debt instruments	9,267,262	-	9,267,262	-
Total	\$ 616,560,727	\$ 533,345,130	\$ 83,215,597	\$ -

USA Retirement Plan
Notes to Financial Statements
December 31, 2009 and 2008

The fair value measurements at December 31, 2008 and their related inputs at the Master Trust level are as follows:

	Fair Value	Level 1	Level 2	Level 3
Interest bearing cash	\$ 100,463	\$ 100,463	\$ -	\$ -
Common/collective trusts	142,078,059	-	142,078,059	-
Preferred stocks	1,180,221	1,180,221	-	-
Common stocks	136,239,659	136,239,659	-	-
U.S. government securities	205,641,569	92,337,953	113,303,616	-
Corporate debt instruments	94,915,766	94,915,766	-	-
Foreign debt instruments	8,633,631	-	8,633,631	-
Total	\$ 588,789,368	\$ 324,774,062	\$ 264,015,306	\$ -

Fair Value Measurements of the Investments in Certain Entities that Calculate Net Asset Value per Share

	Fair Value	Unfunded Commitments	Remaining Life	Redemption Frequency (if currently eligible) daily, pending market conditions	Trade to Settlement Terms	Redemption Notice Period
Common collective trusts investing in equity securities	\$ 103,444,702 ⁽¹⁾	\$ -	N/A	daily, pending market conditions	1 to 3 days	N/A
Common collective trust investing in debt and equity securities	82,633,464 ⁽¹⁾	-	N/A	daily, pending market conditions	1 to 3 days	N/A
	\$ 186,078,166	\$ -				

- (1) These categories represent investments in the Common Collective Trusts investing in debt and equity securities as noted. Its investments are valued at Net Asset Value (NAV). All the funds have daily liquidity and are not subject to any redemption restrictions at the measurement date. The funds have different trading terms varying from one to three days.

USA Retirement Plan
Notes to Financial Statements
December 31, 2009 and 2008

12. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for pension benefits per the financial statements to the Form 5500:

	December 31, 2009
Net assets available for plan benefits per the financial statements	\$ 377,168,973
Net assets held in 401(h) account included as assets in Form 5500	<u>32,889,918</u>
Net assets available for plan benefits per Form 5500	<u>\$ 410,058,891</u>

The net assets of the 401(h) account included in Form 5500 are not available to pay pension benefits but can be used only to pay retiree health benefits.

The following is a reconciliation of the changes in net assets per the financial statements to the Form 5500:

	For the Year Ended December 31, 2009		
	Amounts per Financial Statements	401(h) Account	Amounts per Form 5500
Net income from investment in the USA Defined Benefit Master Trust	\$ 64,116,616	\$ 5,244,411	\$ 69,361,027
Employer contributions	29,148,666	6,263,000	35,411,666

13. Subsequent Events

For the year ended December 31, 2009, the Plan evaluated subsequent events from January 1, 2010 to October 13, 2010, the date that these financial statements were made available to be issued.

**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 USA Retirement Plan		B Three-digit plan number (PN) ▶ 117
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF United Space Alliance		D Employer Identification Number (EIN) 76-0492757
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>1</u> Day <u>1</u> Year <u>2009</u>			
2 Assets:			
a Market value.....		2a	298,476,451
b Actuarial value.....		2b	328,324,096
3 Funding target/participant count breakdown		(1) Number of participants (2) Funding Target	
a For retired participants and beneficiaries receiving payment		3a	1,367 123,116,333
b For terminated vested participants		3b	2,578 61,817,875
c For active participants:			
(1) Non-vested benefits.....		3c(1)	4,656,761
(2) Vested benefits.....		3c(2)	209,200,891
(3) Total active		3c(3)	3,936 213,857,652
d Total.....		3d	7,881 398,791,860
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	6.88 %
6 Target normal cost.....		6	14,481,652

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	GEORGE C SANGER GCS	10/08/2010
Signature of actuary		Date
George C. Sanger		08-06326
Type or print name of actuary		Most recent enrollment number
Hewitt Associates LLC		(281) 882-6352
Firm name		Telephone number (including area code)
2601 Research Forest Drive		
The Woodlands TX 77381-4211		
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)	21,994	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8)	21,994	0
10 Interest on item 9 using prior year's actual return of <u>(28.28)</u> %	(6,220)	
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		10,090,588
b Interest on (a) using prior year's effective rate of <u>6.38</u> %		643,780
c Total available at beginning of current plan year to add to prefunding balance		10,734,368
d Portion of (c) to be added to prefunding balance		10,734,368
12 Reduction in balances due to elections or deemed elections	15,774	1,443,761
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	9,290,607

Part III Funding percentages

14 Funding target attainment percentage	14	80.00 %
15 Adjusted funding target attainment percentage	15	80.00 %
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	106.20 %
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
04/15/2009	7,346,250				
07/10/2009	7,571,975				
10/13/2009	7,115,221				
12/17/2009	7,115,220				
Totals ▶			18(b)	29,148,666	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	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	27,952,929

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**

4

22 Weighted average retirement age**22**

65

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** 0**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** 14,481,652**32** Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment

79,758,371

13,445,136

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**

27,926,788

Carryover balance

Prefunding balance

Total balance

35 Balances used to offset funding requirement

0

0

0

36 Additional cash requirement (item 34 minus item 35) **36** 27,926,788**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)**37**

27,952,929

38 Interest-adjusted excess contributions for current year (see instructions)**38**

26,141

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 Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

Schedule SB, line 19—Discounted Employer Contributions
Year contributions apply for: 2009

Date	2009 Plan Year Contribution	Interest Adjusted Contribution (6.88%)
April 15, 2009	\$ 7,346,250	\$ 7,208,289
July 10, 2009	7,571,975	7,314,206
October 13, 2009	7,115,221	6,755,001
December 17, 2009	<u>7,115,220</u>	<u>6,675,433</u>
Total Contribution	\$ 29,148,666	\$ 27,952,929

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the portion of each life that has not retired at each age according to the following table, using age 55 to first enter the table and assuming mid-year decrements. The estimated whole age of retirement is age 65. This was developed as follows:

(1) Age at Retirement	(2) Percentage of Total Group Retiring	Weighted Retirement Age (1)*(2)
55	5.00%	2.75
56	1.90%	1.06
57	1.86%	1.06
58	1.82%	1.06
59	2.68%	1.58
60	4.34%	2.60
61	4.12%	2.51
62	7.83%	4.85
63	7.04%	4.44
64	9.51%	6.09
65	13.47%	8.76
66	8.08%	5.34
67	6.47%	4.33
68	5.17%	3.52
69	4.14%	2.86
70	16.56%	<u>11.59</u>
		64.40
Adjustment for Mid-Year Decrement		<u>.50</u>
Expected Retirement Age		64.90

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

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

Interest Rates	Based on the full Yield Curve for September 2008 (average of August rates), with sample rates as follows:
Yield Curve	Duration 0 – 3.79%. Duration 5 – 6.15%. Duration 10 – 6.90%. Duration 15 – 7.08%. Duration 20 – 7.02%. Duration 25 – 6.96%. Duration 30 – 6.93%.
Mortality Rates	
Funding	
Healthy Lives	2009 Internal Revenue Code 430 Static Annuitant and Nonannuitant Mortality.
Disabled Lives	Same as Healthy Lives.
Disability Incidence	1987 Commissioner's Group Disability – 12-month elimination.
Salary Increases	Graded scale. For sample rates, see Table 1.
Retirement Age	
Active Participants	Retirement rates vary by age and service. For sample rates, see Table 2.
Grandfathered Terminated Vested Participants	Age 62.
Other Terminated Vested Participants	Age 63.
Turnover	Turnover rates vary by age and service. For sample rates, see Table 3.
Social Security Wage Base Increases	3.5%, compounded annually.
Survivor Benefits	80% of employees are assumed to be married. 50% of employees are assumed to elect survivor benefits. Wives are assumed to be three years younger than their husbands.
Optional Form Election	50% elect a single life annuity and 50% elect a joint and 50% survivor annuity
Expenses	None assumed.

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

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

Asset Valuation Method

The value of plan assets is used each year for developing the funding requirements of the plan. The value is a smoothed value and is set equal to average value of market value as of December 31, 2006, December 31, 2007 and December 31, 2008. Asset values prior to December 31, 2008 are adjusted for accumulated cashflows with interest between the asset date and December 31, 2008. The final value is limited to a corridor of 90% to 110% of market value of assets. This value may be reduced further by applicable funding balance when calculating certain results.

Actuarial Cost Method

Standard Unit Credit Cost Method.

Census Date/ Measurement Date

January 1, 2009.

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

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

Table 1

Salary Rates

Age	Rate
20-25	7.00%
25-30	6.25%
30-35	6.00%
35-40	5.50%
40-45	5.00%
45-50	4.50%
50-55	4.25%
55-60	4.00%
60-65	3.50%
65+	3.50%
Average 20-65	5.11%
Average 45-65	4.08%

Table 2

Retirement Rates

Age	Grandfathered ¹			Others
	Svc 0-19	Svc 20-25	Svc 25+	
55	7.00%	7.00%	15.00%	5.00%
56	5.00%	5.00%	10.00%	2.00%
57	5.00%	5.00%	10.00%	2.00%
58	5.00%	5.00%	10.00%	2.00%
59	5.00%	5.00%	10.00%	3.00%
60	10.00%	10.00%	20.00%	5.00%
61	10.00%	10.00%	20.00%	5.00%
62	15.00%	15.00%	20.00%	10.00%
63	15.00%	15.00%	20.00%	10.00%
64	15.00%	15.00%	20.00%	15.00%
65	25.00%	25.00%	25.00%	25.00%
66	20.00%	20.00%	20.00%	20.00%
67	20.00%	20.00%	20.00%	20.00%
68	20.00%	20.00%	20.00%	20.00%
69	20.00%	20.00%	20.00%	20.00%
70+	100.00%	100.00%	100.00%	100.00%

¹ Rate increased to 20.0% at 85 points (age plus service).

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

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

Table 3

Turnover Rates

Age	Years of Vesting Service	
	Less Than 5	5 or More
20	15.00%	15.00%
25	11.74%	11.74%
30	11.45%	8.89%
35	9.50%	6.89%
40	7.39%	5.24%
45	6.22%	3.86%
50	5.51%	3.17%
55	4.78%	2.70%
60	3.72%	2.63%
65	0.00%	0.00%

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

Schedule SB, line 25—Change in Method

- A change in the asset valuation method from a 2-Month Averaging Method to a 2-Year Smoothing Method as described above.
- A change in the interest rate assumption from the January full yield curve to the September full yield curve.

Note that these changes will affect the comparability of the funding valuation results for the 2009 plan year and the funding valuation results for prior plan years.

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

Schedule SB, line 26—Schedule of Active Participant Data

Number of Participants and Average Compensation									
Age	Years of Service								Total
	0 – 4	5 – 9	10 – 14	15 – 19	20 – 24	25 – 29	30 – 34	35+	
< 25	20								20
	51,887								51,887
25–29	163	32	1						196
	55,054	51,245							54,426
30–34	70	217	80	1					368
	56,681	59,172	62,167						59,324
35–39	55	106	190	23	2				376
	63,375	61,289	62,178	63,286					61,985
40–44	52	107	111	154	88	1			513
	60,389	65,042	64,413	69,620	67,637				66,127
45–49	58	103	118	128	269	38	1		715
	68,851	73,260	75,184	65,084	79,797	66,848			73,842
50–54	51	85	113	98	217	82	13	1	660
	80,034	74,932	74,780	63,661	81,558	67,747			74,530
55–59	44	71	90	77	174	53	27	4	540
	90,310	79,381	77,220	71,633	82,359	70,605	63,114		78,510
60–64	18	36	60	68	120	26	18	9	355
		89,286	88,158	70,082	82,893	55,864			78,525
65–69	6	16	38	17	50	11	7	3	148
			98,496		79,048				84,120
70+	1	4	10	5	18	2	2	3	45
									79,365
Total	538	777	811	571	938	213	68	20	3,936
	65,406	67,717	71,512	67,302	79,895	67,029	66,266	54,554	70,896

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

Schedule SB, line 32—Schedule of Amortization Bases

Date Established	Type of Base	Present Value of Remaining Installments	Number of Years Remaining	Amortization Amount
1/1/2009	Funding Shortfall	\$ 79,758,371	7	\$ 13,445,136

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

Schedule SB, Part V—Summary of Plan Provisions

Effective Date

Original Plan	January 1, 1986.
Transfer to USA	March 1, 1999.
Latest Amendment	January 1, 2006.

Eligible Employee

Employees of USA other than employees covered by a collective bargaining agreement that does not provide for participation. Employees hired after September 30, 2006 are not eligible.

Retirement Benefits

Normal

Date

Last day of the month in which employee reaches age 65 or his fifth anniversary of employment, if later.

Benefit

Greater of (i), (ii), or (iii):

- (i) **Regular Benefit:** 1.5% of Average Monthly Earnings minus Offset Percentage of Social Security Earnings Limit per year of credited service (maximum 35 years).
- (ii) **Minimum Benefit:** 1.5% of Average Monthly Earnings up to \$2,333.33 per year of credited service (maximum 35 years).
- (iii) **Career Average Benefit:** Benefit accrued December 31, 1988 plus, for each year of credited service thereafter, 1.75% of Earnings.

Early

Date

Last day of any month after employee reaches age 55 and completes ten years of vesting service, but before normal retirement age.

Benefit

Benefit determined as for normal retirement, based on service and compensation to early retirement date, payable immediately with a reduction of 5/9% of each of the first 60 months and 5/18% for each additional month by which benefit commencement precedes normal retirement date.

Late

Date

Last day of any month after employee reaches normal retirement age.

Benefit

Benefit determined as for normal retirement, based on service and compensation to actual retirement date.

Disability

None.

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

Schedule SB, Part V—Summary of Plan Provisions (continued)

Termination Benefits

On termination of employment after five years of Vesting Service, an employee is entitled to a deferred vested benefit determined as for normal retirement, based on service and compensation to his date of termination. The deferred vested benefit is payable without reduction beginning at age 65, or if the employee had at least ten years of vesting service at termination, at any time after age 55 with a reduction of 5/9% for each of the first 60 months and 5/18% for each additional month by which benefit commencement precedes normal retirement date. If a married former employee dies before benefits commence, the surviving spouse will receive a deferred benefit as if the former employee had survived to earliest retirement date, retired with the surviving spouse benefit described in "Death Benefits After Retirement" below, and then died.

Death Benefits Before Retirement

After Ten Years of Vesting Service

On death of a married employee after ten years of vesting service, the surviving spouse is entitled to an immediate lifetime benefit as if the employee had attained age 55, retired with the surviving spouse benefit described in "Death Benefits After Retirement" below, and then died.

After Five but less than Ten Years
of Vesting Service

On death of a married employee after five but less than ten years of vesting service, the surviving spouse is entitled to a deferred lifetime benefit as if the employee had survived to normal retirement age, retired with the surviving spouse benefit described in "Death Benefits After Retirement" below, and then died.

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

Schedule SB, Part V—Summary of Plan Provisions (continued)

Death Benefits After Retirement

Normal Form for Single Participants

Single life annuity.

Normal Form for Married Participants

Reduced joint and survivor annuity providing 50% of the employee's reduced benefit to the spouse after his death. Reduction is 12%, plus 1/2% for each full year that employee's age exceeds spouse's age by more than five years, or minus 1/2% for each full year that spouse's age exceeds employee's age by more than five years. Not effective during first year of marriage.

**Employees Transferred from
Rockwell's Aerospace Salaried Plan**

Less Than Five Years of
Vesting Service at Transfer

Benefits will be determined under the USA provisions using Aerospace Salaried service plus USA service. The retirement benefit under the USA plan will not be less than the benefit accrued under the Aerospace Salaried plan as of the date of transfer.

Five or More Years of
Vesting Service at Transfer

Benefits will be determined under provisions similar to the Aerospace Salaried plan, using total service and compensation under Aerospace Salaried and USA.

Supplemental Benefits

A participant who has 20 or more years of credited service who has attained age 60 but not age 62 is entitled to receive \$375 per month until the earliest of age 62, death, or the month in which he is first entitled to receive Social Security. Any participant who retires as an Eligible Employee and the sum of his age and credited service as of his retirement date equals at least 85 and whose age is between 55 and 62 will receive the excess of the greater of:

- a) \$1,600
- b) Benefits earned under the Aerospace Salaried Plan plus 1-1/2% of Average Qualifying Salary multiplied by difference in credited service after December 31, 1983 under this Plan and Preceding Plans of Affiliated Rockwell Companies (not in excess of 35 years) and credited service after December 31, 1983 under Preceding Plans of Affiliated Rockwell Companies (not in excess of 25 years).

Schedule SB Attachment (Form 5500)—2009 Plan Year
USA Retirement Plan
EIN: 76-0492757 PN: 117

Schedule SB, Part V—Summary of Plan Provisions (continued)

Average Monthly Earnings

Highest average of Earnings for five consecutive years out of the final ten years of credited service. Earnings means the monthly basic compensation on January 1 plus 1/12 of any lump sum merit awards in lieu of merit increases during the preceding calendar year (not in excess of \$245,000 for 2009, indexed thereafter).

Social Security Earnings Limit

Lesser of Average Monthly Earnings, or the monthly average of the Social Security wage bases during the 35 calendar years ending with the calendar year before the year in which the employee reaches Social Security retirement age, assuming no change in the wage base after the calendar year of determination.

Offset Percentage

Year of Birth	Percentage
1937 and earlier	.480%
1938 through 1954	.455%
1955 and later	.430%

Employee Contributions

None.

Optional Forms of Payment

In addition to a single life annuity, the plan offers a 50% Joint and Survivor Annuity. For certain former Rockwell employees, 66-2/3% and 100% Joint and Survivor and Social Security Level Benefit Option are also available.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

The actuarial valuation was conducted on an ongoing (not termination) basis using personnel data furnished as of January 1, 2009, by United Space Alliance. Asset information and the dates and amounts of contributions are based on information supplied by United Space Alliance.