Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

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:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 012

1c Effective date of plan 01/01/2008

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
KELLOGG BROWN & ROOT LLC

601 JEFFERSON
HOUSTON, TX 77002

2b Employer Identification Number (EIN) 20-3897734

2c Sponsor's telephone number 713-753-4614

2d Business code (see instructions) 238900

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	ANN HOLLINGSWORTH
	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")
KBR BENEFITS COMMITTEE

601 JEFFERSON
HOUSTON, TX 77002

3b Administrator's EIN
77-0692414

3c Administrator's telephone number
713-753-4614

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

5	Total number of participants at the beginning of the plan year	**5**	7931
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**	948
b	Retired or separated participants receiving benefits	**6b**	9
c	Other retired or separated participants entitled to future benefits	**6c**	6610
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	7567
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f	Total. Add lines **6d** and **6e**	**6f**	7567
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**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1C 1G 3H

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

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	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)	X	Trust
(4)		General assets of the sponsor

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

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)	X	**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

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
BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)
20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 01 Day 01 Year 2009			
2	Assets:			
a	Market value	**2a**		20728686
b	Actuarial value	**2b**		22801555
3	Funding target/participant count breakdown		**(1)** Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	9	106945
b	For terminated vested participants	**3b**	6480	13857467
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		10280552
	(3) Total active	**3c(3)**	1442	10280552
d	Total	**3d**	7931	24244964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
a	Funding target disregarding prescribed at-risk assumptions	**4a**		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	**4b**		
5	Effective interest rate	**5**		8.00 %
6	Target normal cost	**6**		740000

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

10/04/2010
Signature of actuary — Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

404-365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900
ATLANTA, GA 30326-4238
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 [ ]

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)	1546848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439916	0
9	Amount remaining (Item 7 minus item 8)	1106932	0
10	Interest on item 9 using prior year's actual return of -22.61 %	-250277	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201545
	b Interest on (a) using prior year's effective rate of 5.80 %		11690
	c Total available at beginning of current plan year to add to prefunding balance		213235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225000				
07/15/2009	200000				
01/15/2010	14916				
09/13/2010	2300000				
			Totals ► 18(b)	2739916	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	2444753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) — **21b**: 2

22 Weighted average retirement age — **22**: 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. [X] 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**	740000

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	2206923	439916
b Waiver amortization installment	0	0

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**	1179916

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement			0

36	Additional cash requirement (item 34 minus item 35)	**36**	1179916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	2444753
38	Interest-adjusted excess contributions for current year (see instructions)	**38**	1264837
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 C (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Service Provider Information

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

▶ **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
BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

C Plan sponsor's name as shown on line 2a of Form 5500
KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)
20-3897734

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

HEWITT ASSOCIATES, LLC

36-2235791

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	380025	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

TOWERS WATSON

23-1159360

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	154749	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

CANTERBURY TRUST

58-2146977

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	47702	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

PENSION BENEFIT GUARANTY CORP

52-1042410

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99	NONE	47191	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

MERCER INVESTMENT CONSULTING

61-0736136

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	25000	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

DWIGHT ASSET MANAGEMENT CO LLC

04-3211048

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	14434	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

NWQ INVESTMENT MANAGEMENT CO

04-3161875

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	6868	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

PYMIRAS GLOBAL ADVISOR TRUST CO

04-3532603

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	5185	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [ ]

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

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

Part I Service Provider Information (continued)

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

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

▶ **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
BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)
20-3897734

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: MASTER TRUST INVESTMENT ACCOUNT 1

b Name of sponsor of entity listed in (a): KELLOGG BROWN & ROOT LLC

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)
20-7216173-116	M	21627695

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

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

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

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

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

A Name of plan
BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

C Plan sponsor's name as shown on line 2a of Form 5500
KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)
20-3897734

Part I Asset and Liability Statement

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)	4275000	2300000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	46355	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	6362686	
(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)	1055754	
(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)		21627695
(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)	11843172	
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(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	23582967	23927695
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j	2723009	
k	Total liabilities (add all amounts in lines 1g through1j)	1k	2723009	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	20859958	23927695

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) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	2725000	
	(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)		2725000
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	3925	
	(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)		3925
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)	16219	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	317284	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		333503
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	71648165	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	70678717	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		969448

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	384172	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		384172
(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)		1733940
(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)		1276701
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		7426689
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3647838	
(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)		3647838
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)	585839	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	125275	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		711114
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		4358952
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		3067737
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) [X] Disclaimer (4) [ ] Adverse

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

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

(1) Name: BLACK & PINCKARD LLC (2) EIN: 26-0079381

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.)	4a		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.)	4b		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.)	4c		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.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		10000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		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?	4g		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?	4h		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.)	4i	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.)	4j		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?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		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.	4n			

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
BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

C Plan sponsor's name as shown on line 2a of Form 5500
KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)
20-3897734

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**

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): _____ _____

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** 364

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 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):

---

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: 62% Investment-Grade Debt: 31% High-Yield Debt: 5% Real Estate: 0% Other: 2%

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):

BE&K, Inc. Hourly Cash Balance Retirement Plan

Financial Statements and Supplemental Schedules

As of December 31, 2009 and 2008
and for the years then ended
with Report of Independent Auditors

BE&K, Inc. Hourly Cash Balance Retirement Plan

Financial Statements and Supplemental Schedules

As of December 31, 2009 and 2008 and for the years then ended

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BLACK & PINCKARD LLC

Report of Independent Auditors

KBR Benefits Committee
BE&K, Inc. Hourly Cash Balance Retirement Plan

We were engaged to audit the financial statements and supplemental schedules of BE&K, Inc. Hourly Cash Balance Retirement Plan as of December 31, 2009 and 2008 and for the years then ended, as listed in the accompanying contents. These financial statements and supplemental 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 3, which was certified by State Street Bank & Trust Company and The Bank of New York Mellon/BNY Mellon, N.A., the trustees of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that State Street Bank & Trust Company held the Plan's investment assets as of December 31, 2009 and executed investment transactions from September 1, 2009 through December 31, 2009 and that The Bank of New York Mellon/BNY Mellon, N.A. held the Plan's investment assets as of December 31, 2008 and executed investment transactions from January 1, 2009 through August 31, 2009. The plan administrator has obtained a certification from the trustees as of December 31, 2009 and 2008 and for the years then ended, that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted 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.

Black + Pinckard LLC

October 14, 2010

Post Office Box 26384
Hoover, Alabama 35260

www.blackpinckard.com

Phone: (205) 824-2251
(205) 824-2252

BE&K, Inc. Hourly Cash Balance Retirement Plan

Statements of Net Assets Available for Benefits

	December 31	
	2009	**2008**
Assets		
Investments, at fair value:		
Interest in Master Trust, at fair value	**$ 21,627,695**	$ –
Mutual funds	**–**	11,843,172
Common stocks	**–**	1,055,754
Cash equivalents	**–**	6,362,686
Total investments	**21,627,695**	19,261,612
Company contribution receivable	**2,300,000**	4,275,000
Due from broker	**–**	3,528
Accrued interest and dividends	**–**	42,827
	2,300,000	4,321,355
Liability		
Due to broker	**–**	2,723,009
Net assets available for benefits	**$ 23,927,695**	$ 20,859,958

See accompanying notes.

BE&K, Inc. Hourly Cash Balance Retirement Plan

Statements of Changes in Net Assets Available for Benefits

	Year ended December 31	
	2009	**2008**
Additions		
Investment income:		
Plan interest in Master Trust net appreciation in fair value of investments	**$ 1,733,940**	$ –
Interest and dividends	**337,428**	555,759
Net appreciation (depreciation) in fair value of investments	**2,630,321**	(4,925,855)
	4,701,689	(4,370,096)
Company contributions	**2,725,000**	6,175,000
Total additions	**7,426,689**	1,804,904
Deductions		
Distributions to participants and beneficiaries	**3,647,838**	2,873,378
Administrative expenses	**711,114**	795,668
	4,358,952	3,669,046
Net increase (decrease)	**3,067,737**	(1,864,142)
Net assets available for benefits:		
Beginning of year	**20,859,958**	22,724,100
End of year	**$ 23,927,695**	$ 20,859,958

See accompanying notes.

BE&K, Inc. Hourly Cash Balance Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

1. Description of the Plan

The following description of the BE&K, Inc. Hourly Cash Balance Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General

The Plan is a cash balance defined benefit pension plan covering hourly employees of BE&K, Inc. and certain subsidiaries of BE&K, Inc. (collectively, the Company). On July 1, 2008, the Company was acquired by KBR, a Houston-based engineering, construction and services company (KBR).

Prior to January 1, 2007, employees were eligible for membership in the Plan on the first quarterly entry date occurring after twelve months of employment in which the employee completes 1,000 hours of service. Effective January 1, 2007, the Plan was frozen with respect to benefit accruals. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Amendment

Effective September 1, 2009, all assets were transferred to the KBR Employee Benefit Master Trust (Master Trust) held by State Street Bank & Trust Company.

Contributions

Company contributions are determined by the Plan's actuary and approved by the Company's management each year. Contributions are allocated among active members who have rendered 501 hours or more of service during the year, or in certain other instances in proportion to their total compensation during the year, or portion of the year, since becoming a member. The Company has agreed to voluntarily contribute such additional amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Plan members and any prior service costs. No employee contributions are permitted. All investments are nonparticipant-directed. The Plan has met the minimum funding requirements of ERISA.

1. Description of the Plan (continued)

Participant Accounts

A hypothetical separate account of the net assets available for benefits is maintained for each member. Participant account balances are increased by an annual interest credit.

Benefits

Upon reaching normal retirement, as defined in the Plan document, amounts allocated to a retiring member are normally distributed in lump sum or annuity form as elected, pursuant to Plan provisions, to members based upon their vested balance in the Plan, or in other instances, including early retirement (as defined), death while employed, total and permanent disability or other termination of employment.

Vesting

Effective January 1, 2007, all participants have a 100 percent vested interest in his/her account.

Administrative Expenses

Investment management expenses incurred by the trustees are paid by the Plan. Other administrative expenses of the Plan, such as for legal, accounting and actuarial fees, have been paid by the Company.

Plan Termination

Should the Plan terminate at some future time, its net assets will generally not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefit will be paid depends on the amount of Plan assets available at termination, the amount of Company contributions available to the Plan, the priority of the benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

2. Summary of Significant Accounting Policies

Basis of Presentation

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Master Trust was established to hold the investment assets of plans sponsored by KBR. Investments, and the income thereon, are allocated to participating plans based on each plan's participation in the investment options within the Master Trust. Accordingly, the Plan's investment gain for the year ended December 31, 2009 includes its allocable share of the Master Trust's interest and dividends and net appreciation in fair value of investments since September 1, 2009.

Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable. Various inputs are used in determining the value of the Master Trust's investments. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. In addition, ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy under ASC 820, including the types of Master Trust investments that fall under each category and the valuation methodologies used to measure fair value, are described below:

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices that are in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable inputs (i.e. projections, estimates, interpretations, etc.) that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The inputs and methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

Mutual funds are stated at fair value based on quoted market prices as of the last trade date of the year.

Common stock is stated at fair value based on quoted market prices.

The Plan considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Participant loans are valued at their outstanding balances, which approximates fair value.

Investments in corporate, mortgage-backed securities, and government bonds are stated based on yields currently available on comparable securities of issuers with similar credit ratings.

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

Collective trusts are valued based on quoted prices as determined daily based on the underlying market value of the mutual funds and other securities in the accounts. Net change in fair value of the accounts includes interest, dividends and realized and unrealized gains and losses on investments in the accounts. The Stable Value Fund invests in collective trusts which indirectly invest in fully benefit-responsive investment contracts and are carried at fair value determined by the trust and published in the trusts' audited financial statements. However, contract value is the relevant measurement attribute for fully benefit-responsive contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the contracts. Accordingly, the statements of net assets available for benefits presents the fair value of the investments in the Stable Value Fund, as well as the adjustment to record the investments at contract value for purposes of determining the Plan's net assets available for benefits. Investment income is presented on a contract value basis, determined daily.

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

The following table sets forth by level, within the fair value hierarchy, the Master Trust's investments at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Cash equivalents	$ –	$ 2,307,129	$ –	$ 2,307,129
Equity securities:				
Non-U.S. companies	97,634,387	–	–	97,634,387
U.S. companies	441,828,872	163,700	–	441,992,572
Bonds:				
Government bonds	–	32,478,264	–	32,478,264
Corporate bonds	72,386,922	73,066,562	–	145,453,484
Mortgage backed securities	–	19,268,870	–	19,268,870
Collective trust funds	493,027,660	578,741,948	–	1,071,769,608
Mutual funds	273,328,858	–	–	273,328,858
Participant loans	–	–	15,552,658	15,552,658
Total assets	$ 1,378,206,699	$ 706,026,473	$ 15,552,658	$2,099,785,830

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

The following table sets forth a summary of changes in the fair value of the Master Trust's level 3 assets for the year ended December 31, 2009:

	Participant Loans
Balance, beginning of the year:	$ 14,286,645
New issuances	7,631,400
Loan repayments	(6,365,387)
Balance, end of the year:	$ 15,552,658

The Plan's investments in Master Trust investment securities are exposed to various risks, such as interest rate, credit, and overall market volatility. 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 that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Accumulated Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 5) are those estimated future periodic payments, including lump-sum distributions, which are attributable under the Plan's provisions to services rendered by the employees to January 1, 2007. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits for active or retired employees or their beneficiaries are based on the employee's compensation times a retirement credit factor, which is based on years of service. Benefits payable under all circumstances – retirement, death, disability and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

Minimum required Plan contributions and the actuarial present value of accumulated plan benefits are determined using certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation process, changes in these assumptions in the near term could be material to the financial statements.

3. Interest in Master Trust

The value of investments held in the Master Trust at December 31, 2009 is as follows:

Assets:		
Investments at fair value:		
Cash equivalents	$	2,307,129
Equity securities:		
Non-U.S. companies		97,634,387
U.S. companies		441,992,572
Bonds:		
Government bonds		32,478,264
Corporate bonds		145,453,484
Mortgage backed securities		19,268,870
Collective trust funds		1,071,769,608
Mutual funds		273,328,858
Participant loans		15,552,658
Total investments		2,099,785,830
Receivables:		
Due from broker		228,336
Interest and dividends		4,679,383
Taxes		171,469
Other		10,255
Total receivables		5,089,443
Total assets at fair value		2,104,875,273
Liabilities:		
Due to broker		906,090
Administrative expenses		586,154
Other payables		917
Total liabilities		1,493,161
Adjustments from fair value to contract value for fully benefit-responsive investment contracts		50,358,849
Net assets available for benefits	$	2,153,740,961

3. Interest in Master Trust (continued)

Investment income for the Master Trust for the year ended December 31, 2009 is as follows:

Net investment appreciation	$ 321,839,228
Interest and dividends	4,711,359
Expenses	(7,355,295)
	$ 319,195,292

During 2009, the investments in the Master Trust (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

Equity securities:	
Non-U.S. companies	$ 21,061,258
U.S. companies	91,872,127
Bonds:	
Government bonds	4,233,810
Corporate bonds	14,026,522
Mortgage backed securities	2,795,129
Collective trust funds	124,970,350
Mutual funds	62,880,032
	$ 321,839,228

At December 31, 2009, the Plan's interest in the net assets of the Master Trust was approximately 1.01 percent. Investment income and expenses are allocated to the Plan based upon its pro rata share in the net assets of the Master Trust.

4. Investment Information

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2009 and 2008, and net appreciation in fair value of investments, plan interest in Master Trust net appreciation in fair value of investments and interest and dividends for the year ended December 31, 2009, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by State Street Bank & Trust Company and The Bank of New York Mellon/BNY Mellon, N.A., the trustees.

4. Investment Information (continued)

During the year ended December 31, 2009 and 2008, the Plan's investments for the period of the year held with The Bank of New York Mellon/BNY Mellon, N.A. (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	2009	2008
Common stock	**$ 280,297**	$ (1,916,922)
Mutual funds	**2,350,033**	(3,009,933)
	$ 2,630,321	$ (4,925,855)

Investments that represent five percent or more of the Plan's net assets are as follows:

	2009	2008
Interest in Master Trust	**$ 21,627,695**	$ –
Mellon Bank EB Temporary Investment Fund	–	6,331,215
PIMCO Total Return Fund	–	7,146,493
Vanguard Total World Stock Index Fund	–	2,714,254

5. Accumulated Plan Benefits

Beginning with the January 1, 2007 plan year, the Plan no longer grants retirement credits to any group of employees. Prior to this date, the allocation rate was the percent of a participant's eligible earnings that were contributed to the Plan. Participants with 0-4 years of service, 5-9 years of service and greater than 10 years of service at the year ended December 31, 2006 were allocated 3%, 4%, and 5% of their eligible earnings, respectively. Participants with 0-4 years of service, 5-9 years of service and greater than 10 years of service at the year ended December 31, 2006 were allocated 2%, 3%, and 4% of their eligible earnings, respectively, if employed with BE&K Building Group (includes former F.N. Thompson Company employees), a subsidiary of the Company. The allocation rate was .5% of a participant's eligible earnings if employed with SW&B Construction Company. The retirement credit for eligible Suitt employees was $500 for each year of credited service. The interest crediting rate for participants receiving allocations was 4% for the years ended December 31, 2009 and 2008.

5. Accumulated Plan Benefits (continued)

An independent actuary estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants 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 valuation date and the expected date of payment.

The accumulated plan benefit information as of January 1, 2009 and 2008 is as follows:

	January 1	
	2009	**2008**
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	**$ 116,902**	$ 93,200
Other participants	**26,740,432**	24,960,188
	26,857,334	25,053,388
Non-vested benefits	**–**	353,827
	$26,857,334	$25,407,215

The increase in the present value of accumulated plan benefits from December 31, 2008 is attributable to interest of $1,799,737 and other changes of $1,721,966, including benefits accrued and changes in personnel. The decrease in the present value of accumulated plan benefits from December 31, 2008, is attributable to benefits paid of $2,873,378 and assumption changes of $801,794.

The significant assumptions underlying the actuarial computations are as follows:

Actuarial cost method	Projected Unit Credit
Assumed rate of return on investments	7.00% and 7.50%, at December 31, 2009 and 2008, respectively
Mortality	RP 2000 and RP2000 Blue Collar Projected to 2010
Retirement age	Age 65 or attained age if greater

5. Accumulated Plan Benefits (continued)

These actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

6. Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated March 3, 2004, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (IRC) and, therefore, the related trust is exempt from taxation. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

7. Subsequent Event

Effective January 1, 2010, the Plan was amended to eliminate the whipsaw provision and place a cap on the interest crediting rate. Lump sum payments to participants will be equal to the amount credited to the participant's account as of the end of the Plan year, increased by two percent.

The Company also submitted a request to the Internal Revenue Service for a compliance statement in regard to a failure to timely adopt required interim amendments. A request for a new determination letter was also submitted at that time. A response has not been received by the Company.

Management of the Company evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through October 14, 2010, which is the date the financial statements were available to be issued.

Supplemental Schedules

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4i
Schedule of Assets (Held at End of Year)

December 31, 2009

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	KBR Employee Benefit Master Trust	Investment in net assets of KBR Employee Benefit Master Trust	$ 19,798,580	$ 21,627,695
			$ 19,798,580	$ 21,627,695

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (i) – Single transaction in excess of 5% of plan assets:						
PIMCO Total Return Fund	Mutual fund	$ 2,200,000	$ –	$ 2,200,000	$ 2,200,000	$ –
		–	8,917,567	8,682,793	8,917,567	234,774
Vanguard Total World Stock Index Fund	Mutual fund	1,712,651	–	1,712,651	1,712,651	–
		1,812,051	–	1,812,051	1,812,051	–
		1,884,035	–	1,884,035	1,884,035	–
		1,223,271	–	1,223,271	1,223,271	–
		–	1,749,227	1,405,044	1,749,227	344,183
		–	1,778,691	1,440,543	1,778,691	338,148
		–	4,570,158	3,701,107	4,570,158	869,051

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions (continued)

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (i) – Single transaction in excess of 5% of plan assets (continued):						
Mellon Bank EB Temporary Investment Fund	Cash equivalent	$ 4,500,000	$ –	$ 4,500,000	$ 4,500,000	$ –
		12,063,930	–	12,063,930	12,063,930	–
		6,348,849	–	6,348,849	6,348,849	–
		–	1,712,651	1,712,651	1,712,651	–
		–	1,822,066	1,822,066	1,822,066	–
		–	1,766,364	1,766,364	1,766,364	–
		–	3,000,014	3,000,014	3,000,014	–
		–	1,220,133	1,220,133	1,220,133	–
		–	18,618,832	18,618,832	18,618,832	–
		–	1,753,255	1,753,255	1,753,255	–

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions (continued)

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (iii) – Series of transactions in excess of 5% of plan assets:						
PIMCO Total Return Fund	Mutual fund	$ 2,480,120	$ –	$ 2,480,120	$ 2,480,120	$ –
		–	10,117,567	9,950,032	10,117,567	167,535
Vanguard Total World Stock Index Fund	Mutual fund	4,839,358	–	–	–	–
		–	9,147,404	7,528,181	9,147,404	1,619,223
Columbia Funds International Value Fund	Mutual fund	100,000	–	–	–	–
		–	744,050	1,036,374	744,050	(292,324)

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions (continued)

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (iii) – Series of transactions in excess of 5% of plan assets (continued):						
Vanguard Specialized Portfolio Energy Fund	Mutual fund	$ 100,332	$ –	$ 100,332	$ 100,332	$ –
		–	1,104,849	1,380,109	1,104,849	(275,260)
Mellon Bank EB Temporary Investment Fund	Cash equivalent	28,654,195	–	28,654,195	28,654,195	–
		–	34,985,410	34,985,410	34,985,410	–

There were no category (ii) or (iv) reportable transactions during the year ended December 31, 2009.
Columns (e) and (f) have not been presented as this information is not applicable.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
09/13/2010	2,300,000	2009	8.00	2,018,041

Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

Benefit service

▸ BE&K, Inc. (including BE&K Government Group)	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB Attachment
Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
	Average cash balance		$1,742	$8,332							
35 to 39	Count	0	121	66	15	2	0	0	0	0	0
	Average cash balance		$1,962	$7,036							
40 to 44	Count	0	94	66	13	11	0	0	0	0	0
	Average cash balance		$1,912	$8,515							
45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
09/13/2010	2,300,000	2009	8.00	2,018,041

Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

Benefit service

▸ BE&K, Inc. (including BE&K Government Group)	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB Attachment
Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
	Average cash balance		$1,742	$8,332							
35 to 39	Count	0	121	66	15	2	0	0	0	0	0
	Average cash balance		$1,962	$7,036							
40 to 44	Count	0	94	66	13	11	0	0	0	0	0
	Average cash balance		$1,912	$8,515							
45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
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Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

Benefit service

▸ BE&K, Inc. (including BE&K Government Group)	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB Attachment
Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
	Average cash balance		$1,742	$8,332							
35 to 39	Count	0	121	66	15	2	0	0	0	0	0
	Average cash balance		$1,962	$7,036							
40 to 44	Count	0	94	66	13	11	0	0	0	0	0
	Average cash balance		$1,912	$8,515							
45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
09/13/2010	2,300,000	2009	8.00	2,018,041

Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

Benefit service

▸ BE&K, Inc. (including BE&K Government Group)	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB Attachment
Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
	Average cash balance		$1,742	$8,332							
35 to 39	Count	0	121	66	15	2	0	0	0	0	0
	Average cash balance		$1,962	$7,036							
40 to 44	Count	0	94	66	13	11	0	0	0	0	0
	Average cash balance		$1,912	$8,515							
45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
09/13/2010	2,300,000	2009	8.00	2,018,041

Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

Benefit service

▸ BE&K, Inc. (including BE&K Government Group)	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB Attachment
Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
	Average cash balance		$1,742	$8,332							
35 to 39	Count	0	121	66	15	2	0	0	0	0	0
	Average cash balance		$1,962	$7,036							
40 to 44	Count	0	94	66	13	11	0	0	0	0	0
	Average cash balance		$1,912	$8,515							
45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
09/13/2010	2,300,000	2009	8.00	2,018,041

Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

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▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB Attachment
Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
	Average cash balance		$1,742	$8,332							
35 to 39	Count	0	121	66	15	2	0	0	0	0	0
	Average cash balance		$1,962	$7,036							
40 to 44	Count	0	94	66	13	11	0	0	0	0	0
	Average cash balance		$1,912	$8,515							
45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
09/13/2010	2,300,000	2009	8.00	2,018,041

Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

Benefit service

▸ BE&K, Inc. (including BE&K Government Group)	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB Attachment
Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
	Average cash balance		$1,742	$8,332							
35 to 39	Count	0	121	66	15	2	0	0	0	0	0
	Average cash balance		$1,962	$7,036							
40 to 44	Count	0	94	66	13	11	0	0	0	0	0
	Average cash balance		$1,912	$8,515							
45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
09/13/2010	2,300,000	2009	8.00	2,018,041

Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

Benefit service

▸ BE&K, Inc. (including BE&K Government Group)	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB Attachment
Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
	Average cash balance		$1,742	$8,332							
35 to 39	Count	0	121	66	15	2	0	0	0	0	0
	Average cash balance		$1,962	$7,036							
40 to 44	Count	0	94	66	13	11	0	0	0	0	0
	Average cash balance		$1,912	$8,515							
45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
09/13/2010	2,300,000	2009	8.00	2,018,041

Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

Benefit service

▸ BE&K, Inc. (including BE&K Government Group)	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

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Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
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40 to 44	Count	0	94	66	13	11	0	0	0	0	0
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45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.

BE&K, Inc. Hourly Cash Balance Retirement Plan

Financial Statements and Supplemental Schedules

As of December 31, 2009 and 2008
and for the years then ended
with Report of Independent Auditors

BE&K, Inc. Hourly Cash Balance Retirement Plan

Financial Statements and Supplemental Schedules

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BLACK & PINCKARD LLC

Report of Independent Auditors

KBR Benefits Committee
BE&K, Inc. Hourly Cash Balance Retirement Plan

We were engaged to audit the financial statements and supplemental schedules of BE&K, Inc. Hourly Cash Balance Retirement Plan as of December 31, 2009 and 2008 and for the years then ended, as listed in the accompanying contents. These financial statements and supplemental 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 3, which was certified by State Street Bank & Trust Company and The Bank of New York Mellon/BNY Mellon, N.A., the trustees of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that State Street Bank & Trust Company held the Plan's investment assets as of December 31, 2009 and executed investment transactions from September 1, 2009 through December 31, 2009 and that The Bank of New York Mellon/BNY Mellon, N.A. held the Plan's investment assets as of December 31, 2008 and executed investment transactions from January 1, 2009 through August 31, 2009. The plan administrator has obtained a certification from the trustees as of December 31, 2009 and 2008 and for the years then ended, that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted 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.

Black + Pinckard LLC

October 14, 2010

Post Office Box 26384
Hoover, Alabama 35260

www.blackpinckard.com

Phone: (205) 824-2251
(205) 824-2252

BE&K, Inc. Hourly Cash Balance Retirement Plan

Statements of Net Assets Available for Benefits

	December 31	
	2009	**2008**
Assets		
Investments, at fair value:		
Interest in Master Trust, at fair value	**$ 21,627,695**	$ –
Mutual funds	**–**	11,843,172
Common stocks	**–**	1,055,754
Cash equivalents	**–**	6,362,686
Total investments	**21,627,695**	19,261,612
Company contribution receivable	**2,300,000**	4,275,000
Due from broker	**–**	3,528
Accrued interest and dividends	**–**	42,827
	2,300,000	4,321,355
Liability		
Due to broker	**–**	2,723,009
Net assets available for benefits	**$ 23,927,695**	$ 20,859,958

See accompanying notes.

BE&K, Inc. Hourly Cash Balance Retirement Plan

Statements of Changes in Net Assets Available for Benefits

	Year ended December 31	
	2009	**2008**
Additions		
Investment income:		
Plan interest in Master Trust net appreciation in fair value of investments	**$ 1,733,940**	$ –
Interest and dividends	**337,428**	555,759
Net appreciation (depreciation) in fair value of investments	**2,630,321**	(4,925,855)
	4,701,689	(4,370,096)
Company contributions	**2,725,000**	6,175,000
Total additions	**7,426,689**	1,804,904
Deductions		
Distributions to participants and beneficiaries	**3,647,838**	2,873,378
Administrative expenses	**711,114**	795,668
	4,358,952	3,669,046
Net increase (decrease)	**3,067,737**	(1,864,142)
Net assets available for benefits:		
Beginning of year	**20,859,958**	22,724,100
End of year	**$ 23,927,695**	$ 20,859,958

See accompanying notes.

BE&K, Inc. Hourly Cash Balance Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

1. Description of the Plan

The following description of the BE&K, Inc. Hourly Cash Balance Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General

The Plan is a cash balance defined benefit pension plan covering hourly employees of BE&K, Inc. and certain subsidiaries of BE&K, Inc. (collectively, the Company). On July 1, 2008, the Company was acquired by KBR, a Houston-based engineering, construction and services company (KBR).

Prior to January 1, 2007, employees were eligible for membership in the Plan on the first quarterly entry date occurring after twelve months of employment in which the employee completes 1,000 hours of service. Effective January 1, 2007, the Plan was frozen with respect to benefit accruals. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Amendment

Effective September 1, 2009, all assets were transferred to the KBR Employee Benefit Master Trust (Master Trust) held by State Street Bank & Trust Company.

Contributions

Company contributions are determined by the Plan's actuary and approved by the Company's management each year. Contributions are allocated among active members who have rendered 501 hours or more of service during the year, or in certain other instances in proportion to their total compensation during the year, or portion of the year, since becoming a member. The Company has agreed to voluntarily contribute such additional amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Plan members and any prior service costs. No employee contributions are permitted. All investments are nonparticipant-directed. The Plan has met the minimum funding requirements of ERISA.

1. Description of the Plan (continued)

Participant Accounts

A hypothetical separate account of the net assets available for benefits is maintained for each member. Participant account balances are increased by an annual interest credit.

Benefits

Upon reaching normal retirement, as defined in the Plan document, amounts allocated to a retiring member are normally distributed in lump sum or annuity form as elected, pursuant to Plan provisions, to members based upon their vested balance in the Plan, or in other instances, including early retirement (as defined), death while employed, total and permanent disability or other termination of employment.

Vesting

Effective January 1, 2007, all participants have a 100 percent vested interest in his/her account.

Administrative Expenses

Investment management expenses incurred by the trustees are paid by the Plan. Other administrative expenses of the Plan, such as for legal, accounting and actuarial fees, have been paid by the Company.

Plan Termination

Should the Plan terminate at some future time, its net assets will generally not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefit will be paid depends on the amount of Plan assets available at termination, the amount of Company contributions available to the Plan, the priority of the benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

2. Summary of Significant Accounting Policies

Basis of Presentation

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Master Trust was established to hold the investment assets of plans sponsored by KBR. Investments, and the income thereon, are allocated to participating plans based on each plan's participation in the investment options within the Master Trust. Accordingly, the Plan's investment gain for the year ended December 31, 2009 includes its allocable share of the Master Trust's interest and dividends and net appreciation in fair value of investments since September 1, 2009.

Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable. Various inputs are used in determining the value of the Master Trust's investments. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. In addition, ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy under ASC 820, including the types of Master Trust investments that fall under each category and the valuation methodologies used to measure fair value, are described below:

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices that are in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable inputs (i.e. projections, estimates, interpretations, etc.) that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The inputs and methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

Mutual funds are stated at fair value based on quoted market prices as of the last trade date of the year.

Common stock is stated at fair value based on quoted market prices.

The Plan considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Participant loans are valued at their outstanding balances, which approximates fair value.

Investments in corporate, mortgage-backed securities, and government bonds are stated based on yields currently available on comparable securities of issuers with similar credit ratings.

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

Collective trusts are valued based on quoted prices as determined daily based on the underlying market value of the mutual funds and other securities in the accounts. Net change in fair value of the accounts includes interest, dividends and realized and unrealized gains and losses on investments in the accounts. The Stable Value Fund invests in collective trusts which indirectly invest in fully benefit-responsive investment contracts and are carried at fair value determined by the trust and published in the trusts' audited financial statements. However, contract value is the relevant measurement attribute for fully benefit-responsive contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the contracts. Accordingly, the statements of net assets available for benefits presents the fair value of the investments in the Stable Value Fund, as well as the adjustment to record the investments at contract value for purposes of determining the Plan's net assets available for benefits. Investment income is presented on a contract value basis, determined daily.

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

The following table sets forth by level, within the fair value hierarchy, the Master Trust's investments at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Cash equivalents	$ –	$ 2,307,129	$ –	$ 2,307,129
Equity securities:				
Non-U.S. companies	97,634,387	–	–	97,634,387
U.S. companies	441,828,872	163,700	–	441,992,572
Bonds:				
Government bonds	–	32,478,264	–	32,478,264
Corporate bonds	72,386,922	73,066,562	–	145,453,484
Mortgage backed securities	–	19,268,870	–	19,268,870
Collective trust funds	493,027,660	578,741,948	–	1,071,769,608
Mutual funds	273,328,858	–	–	273,328,858
Participant loans	–	–	15,552,658	15,552,658
Total assets	$ 1,378,206,699	$ 706,026,473	$ 15,552,658	$2,099,785,830

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

The following table sets forth a summary of changes in the fair value of the Master Trust's level 3 assets for the year ended December 31, 2009:

	Participant Loans
Balance, beginning of the year:	$ 14,286,645
New issuances	7,631,400
Loan repayments	(6,365,387)
Balance, end of the year:	$ 15,552,658

The Plan's investments in Master Trust investment securities are exposed to various risks, such as interest rate, credit, and overall market volatility. 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 that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Accumulated Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 5) are those estimated future periodic payments, including lump-sum distributions, which are attributable under the Plan's provisions to services rendered by the employees to January 1, 2007. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits for active or retired employees or their beneficiaries are based on the employee's compensation times a retirement credit factor, which is based on years of service. Benefits payable under all circumstances – retirement, death, disability and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

Minimum required Plan contributions and the actuarial present value of accumulated plan benefits are determined using certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation process, changes in these assumptions in the near term could be material to the financial statements.

3. Interest in Master Trust

The value of investments held in the Master Trust at December 31, 2009 is as follows:

Assets:		
Investments at fair value:		
Cash equivalents	$	2,307,129
Equity securities:		
Non-U.S. companies		97,634,387
U.S. companies		441,992,572
Bonds:		
Government bonds		32,478,264
Corporate bonds		145,453,484
Mortgage backed securities		19,268,870
Collective trust funds		1,071,769,608
Mutual funds		273,328,858
Participant loans		15,552,658
Total investments		2,099,785,830
Receivables:		
Due from broker		228,336
Interest and dividends		4,679,383
Taxes		171,469
Other		10,255
Total receivables		5,089,443
Total assets at fair value		2,104,875,273
Liabilities:		
Due to broker		906,090
Administrative expenses		586,154
Other payables		917
Total liabilities		1,493,161
Adjustments from fair value to contract value for fully benefit-responsive investment contracts		50,358,849
Net assets available for benefits	$	2,153,740,961

3. Interest in Master Trust (continued)

Investment income for the Master Trust for the year ended December 31, 2009 is as follows:

Net investment appreciation	$ 321,839,228
Interest and dividends	4,711,359
Expenses	(7,355,295)
	$ 319,195,292

During 2009, the investments in the Master Trust (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

Equity securities:	
Non-U.S. companies	$ 21,061,258
U.S. companies	91,872,127
Bonds:	
Government bonds	4,233,810
Corporate bonds	14,026,522
Mortgage backed securities	2,795,129
Collective trust funds	124,970,350
Mutual funds	62,880,032
	$ 321,839,228

At December 31, 2009, the Plan's interest in the net assets of the Master Trust was approximately 1.01 percent. Investment income and expenses are allocated to the Plan based upon its pro rata share in the net assets of the Master Trust.

4. Investment Information

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2009 and 2008, and net appreciation in fair value of investments, plan interest in Master Trust net appreciation in fair value of investments and interest and dividends for the year ended December 31, 2009, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by State Street Bank & Trust Company and The Bank of New York Mellon/BNY Mellon, N.A., the trustees.

4. Investment Information (continued)

During the year ended December 31, 2009 and 2008, the Plan's investments for the period of the year held with The Bank of New York Mellon/BNY Mellon, N.A. (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	2009	2008
Common stock	**$ 280,297**	$ (1,916,922)
Mutual funds	**2,350,033**	(3,009,933)
	$ 2,630,321	$ (4,925,855)

Investments that represent five percent or more of the Plan's net assets are as follows:

	2009	2008
Interest in Master Trust	**$ 21,627,695**	$ –
Mellon Bank EB Temporary Investment Fund	–	6,331,215
PIMCO Total Return Fund	–	7,146,493
Vanguard Total World Stock Index Fund	–	2,714,254

5. Accumulated Plan Benefits

Beginning with the January 1, 2007 plan year, the Plan no longer grants retirement credits to any group of employees. Prior to this date, the allocation rate was the percent of a participant's eligible earnings that were contributed to the Plan. Participants with 0-4 years of service, 5-9 years of service and greater than 10 years of service at the year ended December 31, 2006 were allocated 3%, 4%, and 5% of their eligible earnings, respectively. Participants with 0-4 years of service, 5-9 years of service and greater than 10 years of service at the year ended December 31, 2006 were allocated 2%, 3%, and 4% of their eligible earnings, respectively, if employed with BE&K Building Group (includes former F.N. Thompson Company employees), a subsidiary of the Company. The allocation rate was .5% of a participant's eligible earnings if employed with SW&B Construction Company. The retirement credit for eligible Suitt employees was $500 for each year of credited service. The interest crediting rate for participants receiving allocations was 4% for the years ended December 31, 2009 and 2008.

5. Accumulated Plan Benefits (continued)

An independent actuary estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants 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 valuation date and the expected date of payment.

The accumulated plan benefit information as of January 1, 2009 and 2008 is as follows:

	January 1	
	2009	**2008**
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	**$ 116,902**	$ 93,200
Other participants	**26,740,432**	24,960,188
	26,857,334	25,053,388
Non-vested benefits	**–**	353,827
	$26,857,334	$25,407,215

The increase in the present value of accumulated plan benefits from December 31, 2008 is attributable to interest of $1,799,737 and other changes of $1,721,966, including benefits accrued and changes in personnel. The decrease in the present value of accumulated plan benefits from December 31, 2008, is attributable to benefits paid of $2,873,378 and assumption changes of $801,794.

The significant assumptions underlying the actuarial computations are as follows:

Actuarial cost method	Projected Unit Credit
Assumed rate of return on investments	7.00% and 7.50%, at December 31, 2009 and 2008, respectively
Mortality	RP 2000 and RP2000 Blue Collar Projected to 2010
Retirement age	Age 65 or attained age if greater

5. Accumulated Plan Benefits (continued)

These actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

6. Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated March 3, 2004, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (IRC) and, therefore, the related trust is exempt from taxation. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

7. Subsequent Event

Effective January 1, 2010, the Plan was amended to eliminate the whipsaw provision and place a cap on the interest crediting rate. Lump sum payments to participants will be equal to the amount credited to the participant's account as of the end of the Plan year, increased by two percent.

The Company also submitted a request to the Internal Revenue Service for a compliance statement in regard to a failure to timely adopt required interim amendments. A request for a new determination letter was also submitted at that time. A response has not been received by the Company.

Management of the Company evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through October 14, 2010, which is the date the financial statements were available to be issued.

Supplemental Schedules

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4i
Schedule of Assets (Held at End of Year)

December 31, 2009

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	KBR Employee Benefit Master Trust	Investment in net assets of KBR Employee Benefit Master Trust	$ 19,798,580	$ 21,627,695
			$ 19,798,580	$ 21,627,695

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (i) – Single transaction in excess of 5% of plan assets:						
PIMCO Total Return Fund	Mutual fund	$ 2,200,000	$ –	$ 2,200,000	$ 2,200,000	$ –
		–	8,917,567	8,682,793	8,917,567	234,774
Vanguard Total World Stock Index Fund	Mutual fund	1,712,651	–	1,712,651	1,712,651	–
		1,812,051	–	1,812,051	1,812,051	–
		1,884,035	–	1,884,035	1,884,035	–
		1,223,271	–	1,223,271	1,223,271	–
		–	1,749,227	1,405,044	1,749,227	344,183
		–	1,778,691	1,440,543	1,778,691	338,148
		–	4,570,158	3,701,107	4,570,158	869,051

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions (continued)

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (i) – Single transaction in excess of 5% of plan assets (continued):						
Mellon Bank EB Temporary Investment Fund	Cash equivalent	$ 4,500,000	$ –	$ 4,500,000	$ 4,500,000	$ –
		12,063,930	–	12,063,930	12,063,930	–
		6,348,849	–	6,348,849	6,348,849	–
		–	1,712,651	1,712,651	1,712,651	–
		–	1,822,066	1,822,066	1,822,066	–
		–	1,766,364	1,766,364	1,766,364	–
		–	3,000,014	3,000,014	3,000,014	–
		–	1,220,133	1,220,133	1,220,133	–
		–	18,618,832	18,618,832	18,618,832	–
		–	1,753,255	1,753,255	1,753,255	–

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions (continued)

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (iii) – Series of transactions in excess of 5% of plan assets:						
PIMCO Total Return Fund	Mutual fund	$ 2,480,120	$ –	$ 2,480,120	$ 2,480,120	$ –
		–	10,117,567	9,950,032	10,117,567	167,535
Vanguard Total World Stock Index Fund	Mutual fund	4,839,358	–	–	–	–
		–	9,147,404	7,528,181	9,147,404	1,619,223
Columbia Funds International Value Fund	Mutual fund	100,000	–	–	–	–
		–	744,050	1,036,374	744,050	(292,324)

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions (continued)

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (iii) – Series of transactions in excess of 5% of plan assets (continued):						
Vanguard Specialized Portfolio Energy Fund	Mutual fund	$ 100,332	$ –	$ 100,332	$ 100,332	$ –
		–	1,104,849	1,380,109	1,104,849	(275,260)
Mellon Bank EB Temporary Investment Fund	Cash equivalent	28,654,195	–	28,654,195	28,654,195	–
		–	34,985,410	34,985,410	34,985,410	–

There were no category (ii) or (iv) reportable transactions during the year ended December 31, 2009.
Columns (e) and (f) have not been presented as this information is not applicable.

BE&K, Inc. Hourly Cash Balance Retirement Plan

Financial Statements and Supplemental Schedules

As of December 31, 2009 and 2008
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BLACK & PINCKARD LLC

Report of Independent Auditors

KBR Benefits Committee
BE&K, Inc. Hourly Cash Balance Retirement Plan

We were engaged to audit the financial statements and supplemental schedules of BE&K, Inc. Hourly Cash Balance Retirement Plan as of December 31, 2009 and 2008 and for the years then ended, as listed in the accompanying contents. These financial statements and supplemental 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 3, which was certified by State Street Bank & Trust Company and The Bank of New York Mellon/BNY Mellon, N.A., the trustees of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that State Street Bank & Trust Company held the Plan's investment assets as of December 31, 2009 and executed investment transactions from September 1, 2009 through December 31, 2009 and that The Bank of New York Mellon/BNY Mellon, N.A. held the Plan's investment assets as of December 31, 2008 and executed investment transactions from January 1, 2009 through August 31, 2009. The plan administrator has obtained a certification from the trustees as of December 31, 2009 and 2008 and for the years then ended, that the information provided to the plan administrator by the trustees is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustees, have been audited by us in accordance with auditing standards generally accepted 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.

Black + Pinckard LLC

October 14, 2010

Post Office Box 26384
Hoover, Alabama 35260

www.blackpinckard.com

Phone: (205) 824-2251
(205) 824-2252

BE&K, Inc. Hourly Cash Balance Retirement Plan

Statements of Net Assets Available for Benefits

	December 31	
	2009	**2008**
Assets		
Investments, at fair value:		
Interest in Master Trust, at fair value	**$ 21,627,695**	$ –
Mutual funds	**–**	11,843,172
Common stocks	**–**	1,055,754
Cash equivalents	**–**	6,362,686
Total investments	**21,627,695**	19,261,612
Company contribution receivable	**2,300,000**	4,275,000
Due from broker	**–**	3,528
Accrued interest and dividends	**–**	42,827
	2,300,000	4,321,355
Liability		
Due to broker	**–**	2,723,009
Net assets available for benefits	**$ 23,927,695**	$ 20,859,958

See accompanying notes.

BE&K, Inc. Hourly Cash Balance Retirement Plan

Statements of Changes in Net Assets Available for Benefits

	Year ended December 31	
	2009	**2008**
Additions		
Investment income:		
Plan interest in Master Trust net appreciation in fair value of investments	**$ 1,733,940**	$ –
Interest and dividends	**337,428**	555,759
Net appreciation (depreciation) in fair value of investments	**2,630,321**	(4,925,855)
	4,701,689	(4,370,096)
Company contributions	**2,725,000**	6,175,000
Total additions	**7,426,689**	1,804,904
Deductions		
Distributions to participants and beneficiaries	**3,647,838**	2,873,378
Administrative expenses	**711,114**	795,668
	4,358,952	3,669,046
Net increase (decrease)	**3,067,737**	(1,864,142)
Net assets available for benefits:		
Beginning of year	**20,859,958**	22,724,100
End of year	**$ 23,927,695**	$ 20,859,958

See accompanying notes.

BE&K, Inc. Hourly Cash Balance Retirement Plan

Notes to Financial Statements

December 31, 2009 and 2008

1. Description of the Plan

The following description of the BE&K, Inc. Hourly Cash Balance Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

General

The Plan is a cash balance defined benefit pension plan covering hourly employees of BE&K, Inc. and certain subsidiaries of BE&K, Inc. (collectively, the Company). On July 1, 2008, the Company was acquired by KBR, a Houston-based engineering, construction and services company (KBR).

Prior to January 1, 2007, employees were eligible for membership in the Plan on the first quarterly entry date occurring after twelve months of employment in which the employee completes 1,000 hours of service. Effective January 1, 2007, the Plan was frozen with respect to benefit accruals. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Amendment

Effective September 1, 2009, all assets were transferred to the KBR Employee Benefit Master Trust (Master Trust) held by State Street Bank & Trust Company.

Contributions

Company contributions are determined by the Plan's actuary and approved by the Company's management each year. Contributions are allocated among active members who have rendered 501 hours or more of service during the year, or in certain other instances in proportion to their total compensation during the year, or portion of the year, since becoming a member. The Company has agreed to voluntarily contribute such additional amounts as are necessary to provide assets sufficient to meet the benefits to be paid to Plan members and any prior service costs. No employee contributions are permitted. All investments are nonparticipant-directed. The Plan has met the minimum funding requirements of ERISA.

1. Description of the Plan (continued)

Participant Accounts

A hypothetical separate account of the net assets available for benefits is maintained for each member. Participant account balances are increased by an annual interest credit.

Benefits

Upon reaching normal retirement, as defined in the Plan document, amounts allocated to a retiring member are normally distributed in lump sum or annuity form as elected, pursuant to Plan provisions, to members based upon their vested balance in the Plan, or in other instances, including early retirement (as defined), death while employed, total and permanent disability or other termination of employment.

Vesting

Effective January 1, 2007, all participants have a 100 percent vested interest in his/her account.

Administrative Expenses

Investment management expenses incurred by the trustees are paid by the Plan. Other administrative expenses of the Plan, such as for legal, accounting and actuarial fees, have been paid by the Company.

Plan Termination

Should the Plan terminate at some future time, its net assets will generally not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefit will be paid depends on the amount of Plan assets available at termination, the amount of Company contributions available to the Plan, the priority of the benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

2. Summary of Significant Accounting Policies

Basis of Presentation

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The Master Trust was established to hold the investment assets of plans sponsored by KBR. Investments, and the income thereon, are allocated to participating plans based on each plan's participation in the investment options within the Master Trust. Accordingly, the Plan's investment gain for the year ended December 31, 2009 includes its allocable share of the Master Trust's interest and dividends and net appreciation in fair value of investments since September 1, 2009.

Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosure about the use of fair value measurements in an effort to make the measurement of fair value more consistent and comparable. Various inputs are used in determining the value of the Master Trust's investments. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. In addition, ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy under ASC 820, including the types of Master Trust investments that fall under each category and the valuation methodologies used to measure fair value, are described below:

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology are other than quoted market prices in active markets that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices that are in inactive markets; inputs other than quoted prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable inputs (i.e. projections, estimates, interpretations, etc.) that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The inputs and methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

Mutual funds are stated at fair value based on quoted market prices as of the last trade date of the year.

Common stock is stated at fair value based on quoted market prices.

The Plan considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Participant loans are valued at their outstanding balances, which approximates fair value.

Investments in corporate, mortgage-backed securities, and government bonds are stated based on yields currently available on comparable securities of issuers with similar credit ratings.

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

Collective trusts are valued based on quoted prices as determined daily based on the underlying market value of the mutual funds and other securities in the accounts. Net change in fair value of the accounts includes interest, dividends and realized and unrealized gains and losses on investments in the accounts. The Stable Value Fund invests in collective trusts which indirectly invest in fully benefit-responsive investment contracts and are carried at fair value determined by the trust and published in the trusts' audited financial statements. However, contract value is the relevant measurement attribute for fully benefit-responsive contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the contracts. Accordingly, the statements of net assets available for benefits presents the fair value of the investments in the Stable Value Fund, as well as the adjustment to record the investments at contract value for purposes of determining the Plan's net assets available for benefits. Investment income is presented on a contract value basis, determined daily.

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

The following table sets forth by level, within the fair value hierarchy, the Master Trust's investments at fair value as of December 31, 2009:

	Level 1	Level 2	Level 3	Total
Cash equivalents	$ –	$ 2,307,129	$ –	$ 2,307,129
Equity securities:				
Non-U.S. companies	97,634,387	–	–	97,634,387
U.S. companies	441,828,872	163,700	–	441,992,572
Bonds:				
Government bonds	–	32,478,264	–	32,478,264
Corporate bonds	72,386,922	73,066,562	–	145,453,484
Mortgage backed securities	–	19,268,870	–	19,268,870
Collective trust funds	493,027,660	578,741,948	–	1,071,769,608
Mutual funds	273,328,858	–	–	273,328,858
Participant loans	–	–	15,552,658	15,552,658
Total assets	$ 1,378,206,699	$ 706,026,473	$ 15,552,658	$2,099,785,830

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition (continued)

The following table sets forth a summary of changes in the fair value of the Master Trust's level 3 assets for the year ended December 31, 2009:

	Participant Loans
Balance, beginning of the year:	$ 14,286,645
New issuances	7,631,400
Loan repayments	(6,365,387)
Balance, end of the year:	$ 15,552,658

The Plan's investments in Master Trust investment securities are exposed to various risks, such as interest rate, credit, and overall market volatility. 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 that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Accumulated Present Value of Accumulated Plan Benefits

Accumulated plan benefits (see Note 5) are those estimated future periodic payments, including lump-sum distributions, which are attributable under the Plan's provisions to services rendered by the employees to January 1, 2007. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits for active or retired employees or their beneficiaries are based on the employee's compensation times a retirement credit factor, which is based on years of service. Benefits payable under all circumstances – retirement, death, disability and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

Minimum required Plan contributions and the actuarial present value of accumulated plan benefits are determined using certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation process, changes in these assumptions in the near term could be material to the financial statements.

3. Interest in Master Trust

The value of investments held in the Master Trust at December 31, 2009 is as follows:

Assets:		
Investments at fair value:		
Cash equivalents	$	2,307,129
Equity securities:		
Non-U.S. companies		97,634,387
U.S. companies		441,992,572
Bonds:		
Government bonds		32,478,264
Corporate bonds		145,453,484
Mortgage backed securities		19,268,870
Collective trust funds		1,071,769,608
Mutual funds		273,328,858
Participant loans		15,552,658
Total investments		2,099,785,830
Receivables:		
Due from broker		228,336
Interest and dividends		4,679,383
Taxes		171,469
Other		10,255
Total receivables		5,089,443
Total assets at fair value		2,104,875,273
Liabilities:		
Due to broker		906,090
Administrative expenses		586,154
Other payables		917
Total liabilities		1,493,161
Adjustments from fair value to contract value for fully benefit-responsive investment contracts		50,358,849
Net assets available for benefits	$	2,153,740,961

3. Interest in Master Trust (continued)

Investment income for the Master Trust for the year ended December 31, 2009 is as follows:

Net investment appreciation	$ 321,839,228
Interest and dividends	4,711,359
Expenses	(7,355,295)
	$ 319,195,292

During 2009, the investments in the Master Trust (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value as follows:

Equity securities:	
Non-U.S. companies	$ 21,061,258
U.S. companies	91,872,127
Bonds:	
Government bonds	4,233,810
Corporate bonds	14,026,522
Mortgage backed securities	2,795,129
Collective trust funds	124,970,350
Mutual funds	62,880,032
	$ 321,839,228

At December 31, 2009, the Plan's interest in the net assets of the Master Trust was approximately 1.01 percent. Investment income and expenses are allocated to the Plan based upon its pro rata share in the net assets of the Master Trust.

4. Investment Information

All investment information disclosed in the accompanying financial statements and supplemental schedules, including investments held at December 31, 2009 and 2008, and net appreciation in fair value of investments, plan interest in Master Trust net appreciation in fair value of investments and interest and dividends for the year ended December 31, 2009, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by State Street Bank & Trust Company and The Bank of New York Mellon/BNY Mellon, N.A., the trustees.

4. Investment Information (continued)

During the year ended December 31, 2009 and 2008, the Plan's investments for the period of the year held with The Bank of New York Mellon/BNY Mellon, N.A. (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	2009	2008
Common stock	**$ 280,297**	$ (1,916,922)
Mutual funds	**2,350,033**	(3,009,933)
	$ 2,630,321	$ (4,925,855)

Investments that represent five percent or more of the Plan's net assets are as follows:

	2009	2008
Interest in Master Trust	**$ 21,627,695**	$ –
Mellon Bank EB Temporary Investment Fund	–	6,331,215
PIMCO Total Return Fund	–	7,146,493
Vanguard Total World Stock Index Fund	–	2,714,254

5. Accumulated Plan Benefits

Beginning with the January 1, 2007 plan year, the Plan no longer grants retirement credits to any group of employees. Prior to this date, the allocation rate was the percent of a participant's eligible earnings that were contributed to the Plan. Participants with 0-4 years of service, 5-9 years of service and greater than 10 years of service at the year ended December 31, 2006 were allocated 3%, 4%, and 5% of their eligible earnings, respectively. Participants with 0-4 years of service, 5-9 years of service and greater than 10 years of service at the year ended December 31, 2006 were allocated 2%, 3%, and 4% of their eligible earnings, respectively, if employed with BE&K Building Group (includes former F.N. Thompson Company employees), a subsidiary of the Company. The allocation rate was .5% of a participant's eligible earnings if employed with SW&B Construction Company. The retirement credit for eligible Suitt employees was $500 for each year of credited service. The interest crediting rate for participants receiving allocations was 4% for the years ended December 31, 2009 and 2008.

5. Accumulated Plan Benefits (continued)

An independent actuary estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants 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 valuation date and the expected date of payment.

The accumulated plan benefit information as of January 1, 2009 and 2008 is as follows:

	January 1	
	2009	**2008**
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	**$ 116,902**	$ 93,200
Other participants	**26,740,432**	24,960,188
	26,857,334	25,053,388
Non-vested benefits	**–**	353,827
	$26,857,334	$25,407,215

The increase in the present value of accumulated plan benefits from December 31, 2008 is attributable to interest of $1,799,737 and other changes of $1,721,966, including benefits accrued and changes in personnel. The decrease in the present value of accumulated plan benefits from December 31, 2008, is attributable to benefits paid of $2,873,378 and assumption changes of $801,794.

The significant assumptions underlying the actuarial computations are as follows:

Actuarial cost method	Projected Unit Credit
Assumed rate of return on investments	7.00% and 7.50%, at December 31, 2009 and 2008, respectively
Mortality	RP 2000 and RP2000 Blue Collar Projected to 2010
Retirement age	Age 65 or attained age if greater

5. Accumulated Plan Benefits (continued)

These actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

6. Tax Status

The Plan has received a determination letter from the Internal Revenue Service dated March 3, 2004, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (IRC) and, therefore, the related trust is exempt from taxation. Although the Plan has been amended since receiving the determination letter, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

7. Subsequent Event

Effective January 1, 2010, the Plan was amended to eliminate the whipsaw provision and place a cap on the interest crediting rate. Lump sum payments to participants will be equal to the amount credited to the participant's account as of the end of the Plan year, increased by two percent.

The Company also submitted a request to the Internal Revenue Service for a compliance statement in regard to a failure to timely adopt required interim amendments. A request for a new determination letter was also submitted at that time. A response has not been received by the Company.

Management of the Company evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through October 14, 2010, which is the date the financial statements were available to be issued.

Supplemental Schedules

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4i
Schedule of Assets (Held at End of Year)

December 31, 2009

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	KBR Employee Benefit Master Trust	Investment in net assets of KBR Employee Benefit Master Trust	$ 19,798,580	$ 21,627,695
			$ 19,798,580	$ 21,627,695

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (i) – Single transaction in excess of 5% of plan assets:						
PIMCO Total Return Fund	Mutual fund	$ 2,200,000	$ –	$ 2,200,000	$ 2,200,000	$ –
		–	8,917,567	8,682,793	8,917,567	234,774
Vanguard Total World Stock Index Fund	Mutual fund	1,712,651	–	1,712,651	1,712,651	–
		1,812,051	–	1,812,051	1,812,051	–
		1,884,035	–	1,884,035	1,884,035	–
		1,223,271	–	1,223,271	1,223,271	–
		–	1,749,227	1,405,044	1,749,227	344,183
		–	1,778,691	1,440,543	1,778,691	338,148
		–	4,570,158	3,701,107	4,570,158	869,051

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions (continued)

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (i) – Single transaction in excess of 5% of plan assets (continued):						
Mellon Bank EB Temporary Investment Fund	Cash equivalent	$ 4,500,000	$ –	$ 4,500,000	$ 4,500,000	$ –
		12,063,930	–	12,063,930	12,063,930	–
		6,348,849	–	6,348,849	6,348,849	–
		–	1,712,651	1,712,651	1,712,651	–
		–	1,822,066	1,822,066	1,822,066	–
		–	1,766,364	1,766,364	1,766,364	–
		–	3,000,014	3,000,014	3,000,014	–
		–	1,220,133	1,220,133	1,220,133	–
		–	18,618,832	18,618,832	18,618,832	–
		–	1,753,255	1,753,255	1,753,255	–

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions (continued)

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (iii) – Series of transactions in excess of 5% of plan assets:						
PIMCO Total Return Fund	Mutual fund	$ 2,480,120	$ –	$ 2,480,120	$ 2,480,120	$ –
		–	10,117,567	9,950,032	10,117,567	167,535
Vanguard Total World Stock Index Fund	Mutual fund	4,839,358	–	–	–	–
		–	9,147,404	7,528,181	9,147,404	1,619,223
Columbia Funds International Value Fund	Mutual fund	100,000	–	–	–	–
		–	744,050	1,036,374	744,050	(292,324)

BE&K, Inc. Hourly Cash Balance Retirement Plan

EIN: 20-3897734 Plan No.:012

Schedule H, Line 4j
Schedule of Reportable Transactions (continued)

Year ended December 31, 2009

(a) Identity of party involved	(b) Description of asset (including interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain (loss)
Category (iii) – Series of transactions in excess of 5% of plan assets (continued):						
Vanguard Specialized Portfolio Energy Fund	Mutual fund	$ 100,332	$ –	$ 100,332	$ 100,332	$ –
		–	1,104,849	1,380,109	1,104,849	(275,260)
Mellon Bank EB Temporary Investment Fund	Cash equivalent	28,654,195	–	28,654,195	28,654,195	–
		–	34,985,410	34,985,410	34,985,410	–

There were no category (ii) or (iv) reportable transactions during the year ended December 31, 2009.
Columns (e) and (f) have not been presented as this information is not applicable.

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

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

BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 012

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

KELLOGG BROWN & ROOT LLC

D Employer Identification Number (EIN)

20-3897734

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1	Enter the valuation date: Month 1 Day 1 Year 2009			
2	Assets:			
	a Market value	2a		20,728,686
	b Actuarial value	2b		22,801,555
3	Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	9	106,945
	b For terminated vested participants	3b	6,480	13,857,467
	c For active participants:			
	(1) Non-vested benefits	3c(1)		0
	(2) Vested benefits	3c(2)		10,280,552
	(3) Total active	3c(3)	1,442	10,280,552
	d Total	3d	7,931	24,244,964
4	If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
	a Funding target disregarding prescribed at-risk assumptions	4a		
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5		8.00 %
6	Target normal cost	6		740,000

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

Michael B. Hanley MBH
Signature of actuary

10/4/2010
Date

MICHAEL B. HANLEY
Type or print name of actuary

08-07039
Most recent enrollment number

TOWERS WATSON PENNSYLVANIA, INC.
Firm name

(404)365-1744
Telephone number (including area code)

3500 LENOX RD SUITE 900

ATLANTA GA 30326-4238
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 [ ]

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)	1,546,848	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	439,916	0
9	Amount remaining (Item 7 minus item 8)	1,106,932	0
10	Interest on item 9 using prior year's actual return of (22.61) %	(250,277)	
11	Prior year's excess contributions to be added to prefunding balance:		
	a Excess contributions (Item 38 from prior year)		201,545
	b Interest on (a) using prior year's effective rate of 5.80 %		11,690
	c Total available at beginning of current plan year to add to prefunding balance		213,235
	d Portion of (c) to be added to prefunding balance		0
12	Reduction in balances due to elections or deemed elections	856,655	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	94.04 %
15	Adjusted funding target attainment percentage	15	94.04 %
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	88.12 %
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
03/27/2009	225,000				
07/15/2009	200,000				
01/15/2010	14,916				
09/13/2010	2,300,000				
			Totals ► 18(b)	2,739,916	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	2,444,753

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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: %	[X] N/A, full yield curve used

b Applicable month (enter code) **21b** 2

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) [ ] Prescribed - combined [X] 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. ..... [X] Yes [ ] No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ..... [X] Yes [ ] No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... [X] 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**	740,000
32	Amortization installments:	Outstanding Balance		Installment
	a Net shortfall amortization installment	2,206,923		439,916
	b Waiver amortization installment	0		0
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**	1,179,916
		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**	1,179,916
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		**37**	2,444,753
38	Interest-adjusted excess contributions for current year (see instructions).....		**38**	1,264,837
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

Attachment to 2009 Form 5500
Schedule SB, line 19 - Discounted Employer Contributions

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Date of Contributon	Amount	Year Applied	Effective Interest Rate	Interest Adjusted Contribution:
03/27/2009	225,000	2009	8.00	221,002
07/15/2009	200,000	2009	8.00	191,940
01/15/2010	14,916	2009	8.00	13,770
09/13/2010	2,300,000	2009	8.00	2,018,041

Attachment to 2009 Form 5500
Schedule SB, line 32 - Schedule of Amortization Bases

Plan Name BE&K, INC. HOURLY CASH BALANCE RETIREMENT PLAN **EIN:** 20-3897734
Plan Sponsor's Name KELLOGG BROWN & ROOT LLC **PN:** 012

Type of Base	Present Value of Any Remaining Installments	Valuation Date	Years Remaining	Amortization Installment
Shortfall	2,206,923	01/01/2008	6	439,916

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

Actuarial Assumptions and Methods

Economic Assumptions

Funding interest rate basis:	
▸ Applicable month	Bond yields during October 2008
▸ Yield curve basis	Full Yield Curve
Funding interest rates:**	
▸ 10-year rate	8.85%
▸ 20-year rate	8.16%
▸ 30-year rate	7.48%
▸ Effective interest rate	8.00%
Annual rates of increase	
▸ Accumulation rate on account balances	4.00%
▸ Applicable interest rate for whipsaw calculations	Bond yields during October 2008

Demographic and Other Assumptions

Mortality: Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, projected to 2024 using Scale AA) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, projected to 2016 using Scale AA)

Termination: 10% per year

Disability: Sample Rates:

Sex	*Age 25*	*Age 40*	*Age 55*	*Age 65 & over*
Male	.12%	.15%	.68%	0.0%
Female	.18%	.22%	1.02%	0.0%

Retirement: 100% at age 65

Form of payment and assumed commencement: Lump sum paid four years from assumed date of termination for actives and paid four years from valuation date for deferred vested participants

Percent married: 100%

Spouse age	Wife three years younger than husband
Administrative expenses	Estimated to be $740,000, reflected in the Target Normal Cost.
Obligation adjustments	Liability for death benefits between termination or disability and commencement are approximated by a 2% load on the liability for termination and disability benefits.

Methods

▸ Valuation date	First day of plan year
▸ Funding target and target normal cost	Present value of accrued benefits
▸ Actuarial value of assets	Smoothed average of market values (adjusted for contributions, benefit and expense payments and expected investment returns) as of the valuation date and the prior two valuation dates. The smoothed asset value must be within 10% of fair value, including contributions receivable.

Benefits Not Valued

Towers Watson has reviewed the plan provisions with the plan sponsor and based on that review, is not aware of any significant benefits required to be valued that were not.

Change in Assumptions and Methods Since Prior Valuation

The funding interest rates were changed from segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.

The asset method was changed to incorporate two years of smoothing, as described above.

Noninvestment-related administrative expenses paid by the Plan were included in the Target Normal Cost, estimated to be $740,000 for 2009.

The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality.

Data Sources

Towers Watson used asset data supplied by the trustee. The participant data was provided by the plan sponsor and Hewitt Associates as of the valuation date. KBR provided the dates and amounts of the 2009 contributions and benefit payments made during the year. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions or estimates were made by the Towers Watson actuaries when data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Provisions

Effective Date	April 1, 1994
Covered Employees	All hourly employees
Participation Date	First day of quarter following completion of 1,000 hours in an employment year. No employees will become participants after 2006.

Definitions

Vesting service

▸ BE&K, Inc. (including BE&K Government Group)	Following the plan freeze, all participants have been 100% vested in their cash balance. All former Profit Sharing Plan participants are immediately vested. In addition, employees who became participants on 4/1/94 and 7/1/94 will be 100% vested. All other employees will be credited with a year of vesting service for any plan year in which they work 1,000 hours (prior to becoming a plan participant), or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of vesting service will be credited for each year of vesting service earned under the F.N. Thompson Profit Sharing Plan as of March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

▸ SW&B Construction Company	Prior to April 1, 1997: One year of vesting service will be credited if the employee had 1,000 hours of service with the SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1, 1997: One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	Suitt was added to the plan effective April 1, 2005. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. One year of vesting service will be credited for any plan year in which the employee works 1,000 hours (prior to becoming a plan participant) or 500 hours for the plan year in which they become a plan participant and each plan year thereafter. The vesting schedule for new participants is 20% for the first year of vesting service, 40% for the second year, and 100% for the third year. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.

Benefit service

▸ BE&K, Inc. (including BE&K Government Group)	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ BE&K Building Group (includes former F.N. Thompson Company employees)	Prior to April 1, 1997: One year of benefit service will be credited for each of the following 12 month periods if an eligible employee had 1,000 hours of service with F.N. Thompson Company: – January 1, 1994 to December 31, 1994 – January 1, 1995 to December 31, 1995 – January 1, 1996 to December 31, 1996 – April 1, 1996 to March 31, 1997

	NOTE: An eligible employee may not receive credit for more than one year of benefit service for the period January 1, 1996 through March 31, 1997. After April 1, 1997: One year of benefit service is granted for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ SW&B Construction Company	Prior to April 1, 1997: One year of benefit service will be credited if an eligible employee had 1,000 hours of service with SW&B Construction Company in either the 1996 calendar year or the plan year beginning April 1, 1996 and ending March 31, 1997. After April 1997: One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
▸ Suitt	One year of benefit service will be credited for any plan year in which the employee is both a participant and works 500 hours. During the employee's initial year of plan participation, the employee will also earn a year of benefit service if he works 200 hours after becoming a participant. Effective April 2, 2006, Suitt was merged into the BE&K Building Group. For the short plan year (April 1, 2005 through December 31, 2005) the hours required were reduced to reflect the 9-month plan year.
Covered Pay	W-2 earnings plus Section 125 deferrals, less imputed income for group term life, less taxable fringe benefits.
Opening Balance	Profit Sharing Account Balance on 8/31/1994.
Contribution Formula	Beginning with the January 1, 2007 plan year, the plan no longer grants retirement credits to any group of employees.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, Part V – Summary of Plan Provisions

- BE&K, Inc. (including BE&K Government Group)

	Retirement Credit			
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Year	4/1/02-3/31/03 Plan Year	4/1/03-12/31/06 Plan Years
0-4	5.0%	3.0%	4.0%	3.0%
5-9	6.0%	4.0%	5.0%	4.0%
10 or more	7.0%	5.0%	6.0%	5.0%

- BE&K Building Group (includes former F.N. Thompson Company employees)

	Retirement Credit		
Years of Benefit Service	4/1/99-3/31/00 Plan Year	4/1/00-3/31/02 Plan Years	4/1/02-12/31/06 Plan Years
0-4	2.0%	2.0%	2.0%
5-9	3.0%	3.0%	3.0%
10 or more	4.0%	4.0%	4.0%

- SW&B Construction Company — The retirement credit each year is 0.5% of the participant's covered pay.
- Suitt — For each plan year prior to the merger of Suitt Construction Co., Inc. into the BE&K Building Group, Inc., effective April 2, 2006, in which the participant is credited with a year of benefit service the retirement credit is $500. After this date these participants earn retirement credits under the BE&K Building Group formula with a minimum retirement credit of $500 per year.

Interest Credit — 4% per year. However, during the 4/1/95 – 3/31/96 plan year, all participants entitled to an allocation received an interest credit of 10%. For the 2005 short plan year (April 1, 2005 through December 31, 2005) the rate was 3%.

Normal retirement date (NRD) — First of month coinciding with or next following the attainment of age 65.

Eligibility for Benefits

Normal retirement — Retirement on NRD.

Early retirement — Retirement before NRD and on or after both attaining age 60 and completing three years of vesting service.

Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after becoming vested.
Preretirement spouse benefit	Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse.

Lump Sum Paid Upon the Following Events

Normal retirement	Accumulated account balance at Normal Retirement Date, subject to whipsaw calculation.
Early retirement	Accumulated account balance at Early Retirement Date, subject to whipsaw calculation.
Postponed retirement	Accumulated account balance at Postponed Retirement Date, subject to whipsaw calculation.
Termination with deferred vested benefit	Accumulated account balance at date of termination, subject to whipsaw calculation.
Preretirement death benefits	Accumulated account balance at date of death, subject to whipsaw calculation.

Forms of payment	Life annuity, joint and survivor annuities, lump sum.
Maximum on benefits and pay	All benefits and plan-recognized pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Provisions Effective After January 1, 2009

The plan was amended effective January 1, 2010 to eliminate the whipsaw provision and place a cap on the interest crediting rate. The cap on the rate is the IRS Composite Corporate Rate as of December of the prior calendar year. These changes have not been reflected in the January 1, 2009 valuation.

Changes in Plan Provisions Since Prior Year

None.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 22 – Description of Weighted Average Retirement Age

All participants are assumed to retire at age 65.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 24 – Change in Actuarial Assumptions

Changes in the actuarial assumptions consisted of:

1. Administrative plan-related expenses of $740,000 are included in the target normal cost.

Schedule SB Attachment

Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 25 – Change in Method

Changes in actuarial methods consisted of changes in:

1. The funding interest rates were changed from 24-month segment rates as of January 2008 to the full yield curve based on corporate bond rates during October 2008, as provided under the Pension Protection Act of 2006 (PPA) and subsequent regulations.
2. The method used to determine Actuarial Value of Assets was changed to a two-year smoothed method -- Smoothed average of market values of assets as of the valuation date and the prior two valuation dates, adjusted for contributions, benefit and expense payments and expected investment returns. The smoothed asset value must be within 10% of fair value, including contributions receivable.
3. The target normal cost includes an assumption for plan-related administrative expenses.
4. The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

Schedule SB Attachment
Kellogg Brown & Root LLC
BE&K, Inc. Hourly Cash Balance Retirement Plan
EIN: 20-3897734 PN: 012
2009 Schedule SB, line 26 -- Schedule of Active Participant Data

		Total Years of Credited Service									
Attained Age		**0 to 1**	**1 to 4**	**5 to 9**	**10 to 14**	**15 to 19**	**20 to 24**	**25 to 29**	**30 to 34**	**35 to 39**	**40 & up**
Under 25	Count	0	19	0	0	0	0	0	0	0	0
	Average cash balance										
25 to 29	Count	0	67	16	0	0	0	0	0	0	0
	Average cash balance		$1,515								
30 to 34	Count	0	101	42	4	0	0	0	0	0	0
	Average cash balance		$1,742	$8,332							
35 to 39	Count	0	121	66	15	2	0	0	0	0	0
	Average cash balance		$1,962	$7,036							
40 to 44	Count	0	94	66	13	11	0	0	0	0	0
	Average cash balance		$1,912	$8,515							
45 to 49	Count	0	129	68	29	24	0	0	0	0	0
	Average cash balance		$1,732	$7,938	$26,223	$52,000					
50 to 54	Count	0	104	81	35	22	0	0	0	0	0
	Average cash balance		$2,034	$8,779	$21,994	$60,773					
55 to 59	Count	0	77	51	23	29	0	0	0	0	0
	Average cash balance		$1,814	$8,956	$23,898	$56,322					
60 to 64	Count	0	36	29	14	18	0	0	0	0	0
	Average cash balance		$1,713	$8,364							
65 to 69	Count	0	8	10	10	4	0	0	0	0	0
	Average cash balance										
70 & up	Count	0	3	1	0	0	0	0	0	0	0
	Average cash balance										

*Average earnings not shown, because future accruals were frozen as of January 1, 2007.