# 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

**2010**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

**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;
- [X] 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
ARGON ST, INC 401(K) PROFIT SHARING PLAN & TRUST

**1b** Three-digit plan number (PN) ▶ 003

**1c** Effective date of plan 01/01/1995

**2a** Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
ARGON ST, INC

12701 FAIR LAKES CIRCLE
SUITE 800
FAIRFAX, VA 22033

12701 FAIR LAKES CIRCLE
SUITE 800
FAIRFAX, VA 22033

**2b** Employer Identification Number (EIN)
38-1873250

**2c** Sponsor's telephone number
703-322-0881

**2d** Business code (see instructions)
541512

**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. | 08/01/2011 | MAGGY CRONIN |
| | **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")

ARGON ST, INC

12701 FAIR LAKES CIRCLE
SUITE 800
FAIRFAX, VA 22033

**3b** Administrator's EIN
38-1873250

**3c** Administrator's telephone number
703-322-0881

**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** | 1413 |
| **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** | 899 |
| **b** | Retired or separated participants receiving benefits | **6b** | 0 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 370 |
| **d** | Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 1269 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 7 |
| **f** | Total. Add lines **6d** and **6e** | **6f** | 1276 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | 1263 |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 73 |
| **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:

2E 2F 2G 2J 2K 2R 2T 3D 3H 3I

**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)** | | **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 C (Form 5500) | Service Provider Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | **2010**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

**A** Name of plan
ARGON ST, INC 401(K) PROFIT SHARING PLAN & TRUST

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
ARGON ST, INC

**D** Employer Identification Number (EIN)
38-1873250

## 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).. . . . . [X] 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

FID.INV.INST.OPS.CO.

04-2647786

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

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

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

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

| (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? |
|---|---|---|---|---|---|---|
| 64 37 65 71 60 | RECORDKEEPER | 23700 | Yes [X] No [ ] | Yes [X] No [ ] | 0 | Yes [X] No [ ] |

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

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

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

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

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

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

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

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

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

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

## Part I Service Provider Information (continued)

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

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(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. |
|---|---|
| ARTISAN MID CAP INV - BOSTON FINANC<br><br>04-2526037 | 0.40% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(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. |
|---|---|
| INVS HIGH YLD INST - INVESCO CANADA<br><br>98-0557567 | 0.35% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(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. |
|---|---|
| IVK GRTH & INC A - INVESCO TRIMARK P.O. BOX 4739<br>HOUSTON, TX 77210 | 0.35% |

## 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 |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(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. |
|---|---|
| LD ABBETT MIDCPVAL P - DST SYSTEMS,<br><br>43-1581814 | 0.45% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(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. |
|---|---|
| NB INTL FUND TRUST - STATE STREET B 605 THIRD AVENUE 2ND FLOOR NEW YORK, NY 10158-0180 | 0.35% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(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. |
|---|---|
| OAKMARK EQ & INC I - BOSTON FINANCI<br><br>04-2526037 | 0.35% |

## 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 |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(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. |
|---|---|
| PIMCO TOT RETURN ADM - BOSTON FINAN<br><br>04-2526037 | 0.25% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(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. |
|---|---|
| ROYCE LOW PR STK SER - BOSTON FINAN<br><br>04-2526037 | 0.45% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUTIONAL | 60 | 0 |

| **(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. |
|---|---|
| RS EMERGING MKTS A - BOSTON FINANCI<br><br>04-2526037 | 0.55% |

## 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 |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|
| PERKINS SMALL CAP VALUE CLASS T 151 DETROIT ST. DENVER, CO 80206 | .34% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|
| PIMCO COMMODITY REAL RETURN CL D 1345 AVENUE OF THE AMERICAS, 3RD FL NEW YORK, NY 10105 | .35% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|
| AMERICAN CENTURY MID CAP VALUE INV 4151 AMON CARTER BLVD MAILDROP 2450 FORT WORTH, TX 76155 | .35% |

## 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 |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|---|
| INTREPID SMALL CAP FUND | 1400 MARSH LANDING PKWY. SUITE 106<br>JACKSONVILLE BEACH, FL 32250 | .40% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|---|
| SOUND SHORE FD INC | CO SOUND SHORE MANAGEMENT, INC.<br>GREENWICH, CT 06830 | .40% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|---|
| INVESCO GOLD & PRECIOUS METALS INV | 11 GREENWAY PLAZA, SUITE 100<br>HOUSTON, TX 77046 | .40% |

## 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 |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|
| MATTHEWS INDIA FUND<br>4 EMBARCADERO CENTER SUITE 550<br>SAN FRANCISCO, CA 94111 | .40% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|
| TCW EMERGING MARKETS INCOME CL N<br>865 SOUTH FIGUERA STREET, 22ND FLOO<br>LOS ANGELES, CA 90017 | .40% |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|
| MATTHEWS CHINA FUND<br>4 EMBARCADERO CENTER SUITE 550<br>SAN FRANCISCO, CA 94111 | .40% |

## 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 |
|---|---|---|
| FIDELITY INVESTMENTS INSTITUT | 60 | 0 |

| **(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. |
|---|---|
| BRIDGEWAY ULTRA SMALL CO MARKET 5615 KIRBY DRIVE, SUITE 518 HOUSTON, TX 77005 | 16.00 |

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

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

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

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

## Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

| | | |
|---|---|---|
| **a** | Name: | **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

**2010**

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

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

**A** Name of plan
ARGON ST, INC 401(K) PROFIT SHARING PLAN & TRUST

**B** Three-digit plan number (PN) ▶ 003

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
ARGON ST, INC

**D** Employer Identification Number (EIN)
38-1873250

## 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: FID MGD INC PORT

**b** Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY

| **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) |
|---|---|---|
| 04-3022712-024 | C | 14575524 |

**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 |

# 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

**2010**

**This Form is Open to Public Inspection**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

**A** Name of plan
ARGON ST, INC 401(K) PROFIT SHARING PLAN & TRUST

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
ARGON ST, INC

**D** Employer Identification Number (EIN)
38-1873250

## 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) | | |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | 4346 | 0 |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 817817 | 1123063 |
| **(2)** U.S. Government securities | 1c(2) | 26047 | 32422 |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | 0 | 10034 |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | 773537 | 1757108 |
| **(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) | 1171450 | 1328398 |
| **(9)** Value of interest in common/collective trusts | 1c(9) | 13268561 | 14575524 |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | | |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 90101868 | 121744629 |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | 180 | 9 |

| | | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | 4855928 | 483 |
| | **(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 | 111019734 | 140571670 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | | |
| **h** | Operating payables | 1h | | |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | | |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | | |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 111019734 | 140571670 |

## 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) | 7495881 | |
| | **(B)** Participants | 2a(1)(B) | 8472726 | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | 644992 | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 16613599 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 18158 | |
| | **(B)** U.S. Government securities | 2b(1)(B) | 1003 | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | 67074 | |
| | **(F)** Other | 2b(1)(F) | | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 86235 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| | **(B)** Common stock | 2b(2)(B) | 16649 | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | 2184369 | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 2201018 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 12294937 | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 9026959 | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 3267978 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| 2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate | 2b(5)(A) | | |
| (B) Other | 2b(5)(B) | 358911 | |
| (C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B) | 2b(5)(C) | | 358911 |
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | 552623 |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | 14770181 |
| c Other income | 2c | | |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 37850545 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 8279401 | |
| (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) | | 8279401 |
| f Corrective distributions (see instructions) | 2f | | 833 |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: (1) Professional fees | 2i(1) | | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | 2391 | |
| (4) Other | 2i(4) | 15984 | |
| (5) Total administrative expenses. Add lines 2i(1) through (4) | 2i(5) | | 18375 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 8298609 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line 2j from line 2d | 2k | | 29551936 |
| 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: GRANT THORNTON LLP (2) EIN: 36-6055558

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 | | 1000000 |
| **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 | X | | |

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

**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

**2010**

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

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

**A** Name of plan
ARGON ST, INC 401(K) PROFIT SHARING PLAN & TRUST

**B** Three-digit plan number (PN) ▶ 003

**C** Plan sponsor's name as shown on line 2a of Form 5500
ARGON ST, INC

**D** Employer Identification Number (EIN)
38-1873250

## 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** 0

**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): 04-6568107

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. ..... **3**

## Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 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: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

**b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Financial Statements and Report of
Independent Certified Public Accountants

# Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

December 31, 2010 and 2009

# Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

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## Report of Independent Certified Public Accountants

Trustees
Argon ST, Inc. 401(k) Profit Sharing Plan and Trust

We were engaged to audit the accompanying statement of net assets available for benefits of the Argon ST, Inc., 401(k) Profit Sharing Plan and Trust (the Plan) as of December 31, 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2010, and the supplemental schedule of assets (held at end of year) as of December 31, 2010. These financial statements and supplemental schedule 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 C, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the 2010 financial statements and the supplemental schedule. We have been informed by the plan administrator that the trustee holds the certified Plan assets and executes the related transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2010, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information in the Plan's 2010 financial statement that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule as of or for the year ended December 31, 2010. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

We have audited the statement of net assets available for benefits of the Argon ST, Inc., 401(k) Profit Sharing Plan and Trust as of December 31, 2009, and in our report dated June 28, 2010, we expressed our opinion that such financial statement presents fairly, in all material respects, the financial status of the Argon ST, Inc., 401(k) Profit Sharing Plan and Trust as of December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

Grant Thornton LLP

McLean, Virginia
July 26, 2011

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Statements of Net Assets Available for Benefits

| *December 31,* | 2010 | 2009 |
|---|---|---|
| ***Assets*** | | |
| Investments at fair value: | | |
| Interest-Bearing Cash | $ 1,123,546 | $ 817,817 |
| Registered Investment Companies | 121,744,629 | 90,101,868 |
| Argon ST Common Stock | — | 4,855,928 |
| Non-Employer Common Stock | 1,757,108 | 773,537 |
| Common Collective Trust | 14,575,524 | 13,268,561 |
| US Government Securities | 32,422 | 26,047 |
| Other Investments | 10,043 | 180 |
| Total investments | 139,243,272 | 109,843,938 |
| Receivables: | | |
| Employer match contributions | 401,738 | 373,306 |
| Other receivable | — | 4,346 |
| Participant Loans | 1,328,398 | 1,171,450 |
| Net assets available for benefit at fair value | 140,973,408 | 111,393,040 |
| Adjustment from fair value to contract value for common collective trust | (118,513) | 246,731 |
| **Net Assets Available for Benefits** | $ 140,854,895 | $ 111,639,771 |

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

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Statement of Changes in Net Assets Available for Benefits

| *Year Ended December 31,* | | **2010** |
|---|---|---|
| **Additions** | | |
| Investment income: | | |
| Interest and dividends | $ | 2,220,179 |
| Net increase in fair value of investments | | 18,584,450 |
| Total investment income | | 20,804,629 |
| Interest income on notes receivable from participant | | 67,074 |
| Contributions: | | |
| Participant | | 8,472,725 |
| Participant rollover | | 644,992 |
| Employer match | | 7,524,313 |
| Total contributions | | 16,642,030 |
| **Total Additions** | | 37,446,659 |
| **Deductions** | | |
| Benefits paid to participants | | 8,280,234 |
| Plan expenses | | 18,375 |
| **Total Deductions** | | 8,298,609 |
| **Net Increase** | | 29,215,124 |
| **Net Assets Available for Benefits,** beginning of period | | 111,639,771 |
| **Net Assets Available for Benefits,** end of period | $ | 140,854,895 |

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

## NOTE A—PLAN DESCRIPTION

The following brief description of the Argon ST, Inc., 401(k) Profit Sharing Plan and Trust (the Plan), is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

### *General*

The Plan was established January 1, 1995, to provide retirement benefits for eligible employees of the participating employer. The participating employer is Argon ST, Inc. (the Company). Effective January 1, 2000, the Plan entered into a tax-favored savings and trust agreement with Fidelity Management Trust Company (Fidelity).

On August 5, 2010, The Boeing Company (Boeing) acquired 100% of the common shares of Argon ST, Inc. As a wholly-owned subsidiary of Boeing, Argon will transition to the benefit plans of Boeing, including the Boeing Voluntary Investment Plan (VIP) 401(k), effective the first payroll on or after January 1, 2012. The Plan will continue to be maintained separately until it is merged into the VIP, at a date still to be determined. Participants will have access to the Plan for investment fund transfers, loans and both regular and hardship withdrawals, but participants will not be able to contribute to the Plan.

All employees of the employer are eligible to participate, except members of a collective bargaining unit where retirement benefits have been the subject of good faith bargaining, nonresident aliens who do not receive any earned income from the Company which constitutes United States earned income, leased employees and casual or temporary employees. Employees become eligible to participate on the date of hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

### *Contributions*

Participants may contribute a percentage of their pre-tax annual compensation as defined in the Plan. Participants may also contribute amounts representing distributions from other qualified retirement plans. Effective April 1, 2007, participants also may choose a Roth deferral contribution on an after-tax basis.

The employer makes a non-discretionary matching contribution, subject to certain Plan limitations, in an amount equal to 100 percent of the participant's deferral, limited to six percent of the participant's eligible compensation. The employer matching contribution amounted to $4,578,362 for the Plan year ended December 31, 2010. In addition, a safe harbor contribution equal to 3% of covered compensation is made to each eligible employee of the Company, regardless of the employees' participation in the Plan. The safe harbor contribution amounted to $2,945,951 for the Plan year ended December 31, 2010. Each year the employer may also contribute to the Plan a discretionary profit sharing contribution in addition to any matching contributions. The Company did not make a discretionary profit sharing contribution for the Plan year ended December 31, 2010.

### *Participant Accounts*

Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contributions, and (b) Plan earnings. Allocations to each participant account for the Company's discretionary profit sharing contribution is based on the ratio of their compensation for the plan year to the aggregate eligible compensation of all such participants in that year. Investment income or losses are allocated based on participants' account balances.

## NOTE A—PLAN DESCRIPTION—Continued

### *Investments*

Upon enrollment in the Plan, a participant may direct employee contributions to various investment options, including among others, fixed income, capital appreciation, income and growth mutual funds, Argon ST common stock (no longer available following the acquisition of the Company by The Boeing Company), a common collective trust, as well as a self-directed brokerage account option. Fidelity is custodian of the funds. Participants may change their investment options daily.

### *Vesting*

Participants are immediately vested in their contributions, rollover accounts and the Company's safe harbor contributions plus actual earnings thereon. Vesting in the remainder of the plan account is based on years of continuous service. A participant is 100 percent vested after five years of credited service.

### *Payment of Benefits*

On termination of service, including separation due to death, disability or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount, or in annual installments. If the account balance is less than $5,000, the distribution shall be paid in the form of a lump-sum benefit.

### *Notes Receivable from Participants*

Loans to participants may be no less than $1,000 and no greater than the lesser of $50,000 or one-half of the participant's vested interest in his or her account. The period of repayment may not exceed five years, except for loans used to acquire, construct, or rehabilitate a dwelling unit used as a principal residence. All loans bear interest under a fixed rate determined by the Plan Administrator. Principal and interest are generally paid ratably through bi-weekly payroll deductions. Loans must be repaid prior to any participant (borrower) distribution.

## NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *Method of Accounting*

The Plan uses the accrual basis of accounting for the presentation of the financial statements.

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

## NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

### *Investment Valuation and Income Recognition*

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note F for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

### *Notes Receivable From Participants*

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

### *Use of Estimates*

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as revenue and expenses during the reporting period. Actual results could differ from those estimates.

### *Benefit Payments*

Benefits are recorded when paid.

### *Risks and Uncertainties*

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

## NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

### *Adoption of New Accounting Standards*

In January 2010, the FASB issued guidance that clarifies existing disclosures and requires new disclosures about fair value measurements. The clarifications and the requirement to disclose the amounts and reasons for significant transfers between Level 1 and level 2 and significant transfers into and out of Level 3 of the fair value hierarchy are effective for periods beginning after December 15, 2009. The new requirement that purchases, sales, issuances, and settlements be presented gross in the Level 3 reconciliation is effective for fiscal years beginning after December 15, 2010 and for interim periods within those years, with early adoption permitted. Since this new guidance only amends the disclosure requirements, it will not have any impact on the Plan's statement of net assets or statement of changes in net assets.

In September 2010, the FASB issued guidance clarifying the classification and measurement of participant loans by defined contribution pension plans. That guidance requires that participant loans be classified as notes receivable from participants and measured at their unpaid principal balance, plus any accrued but unpaid interest. The Plan adopted this new guidance in its December 31, 2010 financial statements and has reclassified participant loans of $1,328,398 and $1,171,450 for the years ended December 31, 2010 and 2009, respectively, from investments to notes receivable from participants. Net assets of the Plan were not affected by the adoption of the new guidance.

### *Subsequent Events*

The Plan has evaluated subsequent events through July 26, 2011, the date the financial statements were available to be issued. The Plan is not aware of any additional subsequent events which would require recognition or disclosure in the accompanying financial statements.

## NOTE C—INFORMATION CERTIFIED BY THE PLAN TRUSTEE

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the trustee has certified that the following data included in the accompanying financial statements and supplemental schedule are complete and accurate.

- Investments and participant loans receivable, as shown in the statement of net assets available for benefits as of December 31, 2010.
- Investment income and interest income on notes receivable from participants, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2010.
- Schedule of Assets (Held at End of Year) as of December 31, 2010.

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

## NOTE D—ADMINISTRATIVE EXPENSES

The Company absorbs substantially all of the Plan recordkeeping and administrative expenses. Expenses incurred and paid for by the Plan for the Plan year ended December 31, 2010 were $18,375.

## NOTE E—INCOME TAX STATUS

The Company adopted a prototype plan offered through Fidelity. The prototype plan was approved by the Internal Revenue Service (IRS) as acceptable under Section 401(a) of the Internal Revenue Code (IRC), for use by employers for the benefit of their employees. Argon ST did not request its own determination letter and we believe the plan is designed and being operated in accordance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Company has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Company believes it is no longer subject to income tax examinations for year prior to 2007.

## NOTE F—INVESTMENTS

The following presents investments that represent five percent or more of the Plan's net assets as of December 31, 2010 and December 31, 2009:

| *December 31,* | 2010 | 2009 |
|---|---|---|
| Fidelity Capital Appreciation | $ 9,846,180 | $ 8,642,140 |
| Fidelity Contrafund | 15,813,948 | 13,322,683 |
| Artisan Mid Cap | 9,745,446 | 6,783,017 |
| Fidelity Diversified International | 8,123,379 | 6,952,240 |
| Fidelity Managed Income Portfolio | 14,575,524 | 13,268,561 |
| PIMCO Total Return | 9,136,395 | 7,504,314 |

**** Amounts did not exceed 5% of Plan assets at end of year.***

As of December 31, 2010, the Plan was invested in a common collective trust, Fidelity's Managed Income Portfolio, which owns fully benefit-responsive investment contracts. The Plan's interest in the Fidelity Managed Income Portfolio is calculated by applying the Plan's ownership percentage in the Fidelity Managed Income Portfolio to the total fair value of such fund.

For year ended December 31, 2010, the Plan's investments increased in value by $18,584,450 as follows:

| | |
|---|---|
| Registered Investment Companies | $ 14,950,912 |
| Argon ST Common Stock | 3,178,455 |
| Other | 455,083 |
| | $ 18,584,450 |

On August 5, 2010 Boeing acquired 100% of the common shares of Argon, including all shares held by participants in the Plan.

## NOTE G—FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value and expands disclosures about fair value measurements.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at December 31, 2010 and 2009.

Common stocks and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Registered Investment Companies and Common Collective Trust: Valued at the net asset value of shares held by the plan at year end.

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

## NOTE G—FAIR VALUE MEASUREMENTS—Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010 and 2009:

| | Assets at Fair Value as of December 31, 2010 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Interest-bearing Cash | $ 1,123,546 | $ — | $ — | $ 1,123,546 |
| Registered Investment Companies: | | | | |
| Balanced | 30,120,126 | — | — | 30,120,126 |
| Fixed Income | 9,450,519 | — | — | 9,450,519 |
| Growth | 70,535,383 | — | — | 70,535,383 |
| Income | 3,439,958 | — | — | 3,439,958 |
| Index | 6,795,078 | — | — | 6,795,078 |
| Other | 1,403,565 | — | — | 1,403,565 |
| Total | 121,744,629 | — | — | 121,744,629 |
| Argon ST Common Stock | — | — | — | — |
| Non-employer Common Stock: | | | | |
| Basic Materials | 801,870 | — | — | 801,870 |
| Consumer Goods | 187,564 | — | — | 187,564 |
| Technology | 184,809 | — | — | 184,809 |
| Financial | 319,671 | — | — | 319,671 |
| Other | 263,194 | — | — | 263,194 |
| Total | 1,757,108 | — | — | 1,757,108 |
| Common Collective Trusts | — | 14,575,524 | — | 14,575,524 |
| U.S. Government Securities | — | 32,422 | — | 32,422 |
| Other Investments | — | 10,043 | — | 10,043 |
| Total Assets | $ 124,625,283 | $ 14,617,989 | $ — | $ 139,243,272 |

## NOTE G—FAIR VALUE MEASUREMENTS—Continued

| | Assets at Fair Value as of December 31, 2009 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Interest-bearing Cash | $ 817,817 | $ — | $ — | $ 817,817 |
| Registered Investment Companies: | | | | |
| Balanced | 17,972,925 | — | — | 17,972,925 |
| Fixed Income | 8,545,824 | — | — | 8,545,824 |
| Growth | 55,556,925 | — | — | 55,556,925 |
| Income | 3,473,896 | — | — | 3,473,896 |
| Index | 4,101,808 | — | — | 4,101,808 |
| Other | 450,490 | — | — | 450,490 |
| Total | 90,101,868 | — | — | 90,101,868 |
| Argon ST Common Stock | 4,855,928 | — | — | 4,855,928 |
| Non-employer Common Stock: | | | | |
| Basic Materials | 298,171 | — | — | 298,171 |
| Consumer Goods | 175,707 | — | — | 175,707 |
| Technology | 64,310 | — | — | 64,310 |
| Financial | 61,757 | — | — | 61,757 |
| Other | 173,592 | — | — | 173,592 |
| Total | 773,537 | — | — | 773,537 |
| Common Collective Trusts | — | 13,268,561 | — | 13,268,561 |
| U.S. Government Securities | — | 26,047 | — | 26,047 |
| Other Investments | — | 180 | — | 180 |
| Total Assets | $ 96,549,150 | $ 13,294,788 | $ — | $ 109,843,938 |

In accordance with the fair value measurements and disclosures guidance, the following table presents the category, fair value, redemption frequency and redemption notice period for Plan investments, the fair values of which are estimated using the NAV per share as of December 31, 2010 and 2009:

| | Fair Value 2010 | Fair Value 2009 | Unfunded Commitments | Expected Liquidation Term | Redemption Terms | Redemption Restrictions |
|---|---|---|---|---|---|---|
| Fidelity Managed Income Portfolio[a] | $ 14,575,524 | $ 13,268,561 | $ — | — | See Note H | See Note H |

[a] The investment objective of the Managed Income Portfolio (MIP) is to seek the preservation of capital and to provide a competitive level of income over time that is consistent with the preservation of capital.

## NOTE H—COMMON COLLECTIVE TRUST

Participants' ownership of the MIP is represented as units. Units are issued and redeemed daily at the MIP's constant NAV of $1 per unit. The MIP allows for daily liquidity with no additional days notice required for redemption. It is the policy of the MIP to use its best efforts to maintain a stable NAV of $1 per unit, although there is no guarantee that the MIP will be able to maintain this value.

Participants ordinarily may direct the withdrawal or transfer of all or a portion of their investment in the MIP at contract value. Contract value represents contributions made to the MIP, plus earnings, less participant withdrawals and administrative expenses. The MIP imposes certain restrictions on the Plan, and the MIP itself may be subject to circumstances that impact its ability to transact at contract value, as described in the following paragraphs. Plan management believes the occurrence of events that would cause the MIP to transact at less than contract value is not probable.

The MIP invests in assets (typically fixed income securities or bond funds and may include derivative instruments such as futures contracts and swap agreements) and enters into "wrapper" contracts issued by third parties and invests in cash equivalents represented by shares in a money market fund. A wrap contract is an agreement by another party, such as a bank or insurance company, to make payments to the MIP in certain circumstances. Wrap contracts are designed to allow a stable value portfolio to maintain a constant NAV and protect a portfolio in extreme circumstances. In a typical wrap contract, the wrap issuer agrees to pay a portfolio the difference between the contract value and the market value of the underlying assets once the market value has been totally exhausted.

The following events may limit the ability of the Plan to transact at contract value:

- The Plan's failure to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA.
- Any communication given to Plan participants designed to influence a participant not to invest in the MIP or to transfer assets out of the MIP.
- Any change in law, regulation or administrative ruling applicable to the Plan that could have a material adverse effect on the MIP's cash flow.
- Any transfer of assets from the MIP directly into a competing investment option.
- The establishment of a defined contribution plan that competes with the Plan for employee contributions.
- Complete or partial termination of the Plan or its merger with another plan. Any substantive modifications of the MIP or the administration of the MIP that is not consented to by the wrap issuer.
- Any change in law, regulation or administrative ruling applicable to a plan investing in the MIP that could have a material adverse effect on the MIP's cash flow.

The MIP is unlikely to maintain a stable NAV if, for any reason, it cannot obtain or maintain wrap contracts covering all of its underlying assets. This could result from the MIP's inability to promptly find a replacement wrap contract following termination of a wrap contract. The MIP's ability to receive amounts due pursuant to these wrap contracts is dependent on the third-party issuer's ability to meet their financial obligations. The wrap issuer's ability to meet its contractual obligations under the wrap contracts may be affected by future economic and regulatory developments. In the event that wrap contracts fail to perform as intended, the MIP's NAV may decline if the market value of its assets declines.

*December 31, 2010 and 2009*

## NOTE I—TERMINATION

Although it has not expressed any interest to do so, the employer reserves the right to terminate the Plan and discontinue contributions at any time. In the event of Plan termination, participants become 100 percent vested in their accounts.

## NOTE J—FORFEITURES

At December 31, 2010 and 2009, forfeited non-vested accounts totaled $46,133 and $21,589, respectively. These accounts will be used to reduce future employer contributions. For the year ended December 31, 2010, employer contributions were reduce by $534,364 from forfeited nonvested accounts.

## NOTE K—RECONCILIATION TO FORM 5500

Form 5500 reports Plan assets on a cash basis; accounting principles generally accepted in the United States of America use the accrual basis. A reconciliation of net assets available for Plan benefits according to the financial statements and Form 5500 follows:

| *December 31,* | 2010 | 2009 |
|---|---|---|
| Net assets available for benefits, financial statements | $ 140,854,895 | $ 111,639,771 |
| Less: contributions receivable | (401,738) | (373,306) |
| Fair value adjustment for common collective trust | 118,513 | (246,731) |
| Net assets available for Plan benefits, Form 5500 | $ 140,571,670 | $ 111,019,734 |

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

| *Year ended December 31, 2010* | |
|---|---|
| Change in net assets, financial statements | $ 29,215,124 |
| Add: contributions receivable, beginning of year | 373,306 |
| Less: contributions receivable, end of year | (401,738) |
| Add: fair value adjustment for common collective trust | 365,244 |
| Net income, Form 5500 | $ 29,551,936 |

## NOTE L—RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of Argon ST, Inc. common stock. Argon ST is the Plan sponsor and, therefore, qualifies as a related party. At December 31, 2009 the Plan held 223,636 shares of Argon ST common stock with a fair value of $4,855,928. On August 5, 2010, the Boeing Company acquired 100 percent of the outstanding shares of Argon ST, Inc., including those shares held by the Plan. As a result, at December 31, 2010, the Plan held no shares of Argon ST common stock.

The Plan has not considered Argon ST contributions to the Plan, or benefits accrued or paid by the Plan, for participants as party-in-interest transactions.

Certain Plan investments are managed by Fidelity Management Trust Company, the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest.

Fees paid during the year by the Plan sponsor for legal, accounting, and other professional services rendered by parties-in-interest were based on customary and reasonable rates for such services.

The Plan sponsor provides to the Plan certain accounting and administrative services for which no fees are charged.

Supplemental Information

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| **Interest Bearing Cash** | | |
| *Cash* | | |
| FIDELITY CASH RESERVES | $ | 694,518 |
| FIDELITY US GOV'T RESERVES | | 23,451 |
| *Certificate of Deposit* | | |
| ALLY BK MIDVALUE UTAH CD | | 40,144 |
| AMERICAN FED BK FARGO ND | | 2,080 |
| ASSOCIATED BK GREEN BAY | | 8,051 |
| BEACON FED NY CD | | 1,046 |
| BYRON BANK MICH CD | | 52,690 |
| CAPITAL ONE NATL ASSN VA | | 57,385 |
| CAPITAL ONE NATL ASSN VA | | 3,279 |
| COMMERCIAL BK ALA MICH | | 2,146 |
| DISCOVER BK GREENWOOD DEL | | 2,084 |
| DISCOVER BK GREENWOOD DEL | | 1,091 |
| DISCOVER BK GREENWOOD DEL | | 6,481 |
| GE MONEY BANK CD | | 20,554 |
| GOLDMAN SACHS BK USA NY | | 3,466 |
| GOLDMAN SACHS BK USA UT | | 52,506 |
| GOLDMAN SACHS BK USA NY | | 1,114 |
| IRONSTONE BK FT MYERS FLA | | 48,203 |
| LEHMAN BROS FSB WILMINGTON DE | | 48,410 |
| MORGAN STANLEY BK N A UTAH | | 2,148 |
| WORTHINGTON FED BK ALA | | 52,699 |
| **Total Interest Bearing Cash** | | 1,123,546 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| **U.S. Government Securities** | | |
| *Government Bonds* | | |
| US TREAS BDS 9.125% 05/15/2018 | $ | 5,731 |
| UNITED STATES TREAS NTS | | 2,539 |
| UNITED STATES TREAS NTS TIPS | | 6,354 |
| UNITED STATES TREAS NTS | | 6,043 |
| UNITED STATES TREAS NTS | | 10,046 |
| US TREAS SEC STRPPD GENERIC TINT PMT | | 1,709 |
| **Total U.S. Government Securities** | | 32,422 |
| **Corporate Bonds** | | |
| DOW CHEMICAL CO NOTES | | 10,034 |
| **Non-Employer Corporate Stock (Common)** | | |
| *Common Stock* | | |
| A5 LABORATORIES INC COM | | 301 |
| ACTIVISION BLIZZARD INC COM | | 2,488 |
| AKAMAI TECH NDS LLC IS A MARKET | | 9,410 |
| AMERGENCE GROUP INC COM NEW | | 120 |
| AMERICAN CAP AGY CORP COM | | 3,336 |
| AMERICAN SIERRA GOLD CORP COM | | 130 |
| ANTHRACITE CAP INC | | 3 |
| APOGEE MINERALS LTD | | 1,252 |
| APPLE COMPUTER INC NFS LLC IS A MARKET | | 129,024 |
| AT&T INC COM | | 4,407 |
| ATAC RED LTD COM | | 789 |
| ATHEROS COMMUNICATIONS INC | | 4,921 |
| ATWOOD OCEANICS INC | | 3,737 |
| AURIZON MINES LTD | | 732 |
| BANK OF AMERICA CORP | | 4,002 |
| BARCLAYS BK PLC IPATH S&P 500 VIX | | 18,805 |
| BEAZER HOMES USA INC | | 539 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| BERKSHIRE HATHAWAY INC DEL CL B NEW | $ | 8,011 |
| CAPITALSOURCE INC | | 3,642 |
| CAPSTEAD MTG CORP COM NO PAR | | 775 |
| CELL THERAPEUTICS INC COM NO PAR | | 529 |
| CHESAPEAKE ENERGY CORPORATION | | 5,182 |
| CHEVRONTEXACO CORP | | 9,125 |
| CHINA PRECISION STL INC | | 1,700 |
| CISCO SYS INC NFS LLC IS A MARKET | | 4,046 |
| CITIGROUP INC NFS IS A SPECIALIST | | 12,558 |
| CLAYMORE EXCHANGE TRADED FD TR | | 2,932 |
| COEUR D ALENE MINES CORP IDAHO COM NEW | | 56,990 |
| CYIOS CORP COM | | 39 |
| DENNISON MINES CORP COM | | 11,970 |
| DIAMOND OFFSHORE DRILLING INC | | 3,343 |
| DIREXION SHS ETF TR DAILY 30 YR TREASURY | | 12,963 |
| DIREXION SHS ETF TR DAILY FINL BULL 3X | | 8,353 |
| DIREXION SHS ETF TR DAILY REAL ESTATE | | 7,204 |
| DIREXION SHS ETF TR ENERGY BULL 3X SHS | | 5,845 |
| DISCOVERY COMMUNICATIONS INC | | 7,338 |
| DULUTH METALS LTD COM | | 15,760 |
| E ON AG ADR | | 25,459 |
| E TRADE FINL CORP COM NEW | | 7,840 |
| EATON VANCE TAX MANAGED GLOBAL BUY | | 48,978 |
| EBAY INC NFS LLC IS A MARKET | | 696 |
| EMERSON RADIO CORP | | 5,940 |
| ENDEAVOUR SILVER CRP | | 5,652 |
| ENERGY CONVERSION DEVICES INC | | 9,200 |
| FANNIE MAE NFS IS A SPECIALIST | | 120 |
| FERO INDS INC COM NEW | | 80 |
| FIRST MAJESTIC SILVER CORP COM | | 19,341 |
| FRONTIER GOLD INC COM | | 1,513 |
| FRONTLINE LTD | | 4,567 |
| GOLD RESOURCE CORP COM | | 190,450 |
| GOLDCORP INC NEW | | 16,262 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| GOLDMAN SACHS GROUP INC | $ | 8,417 |
| HECLA MINING CO | | 12,926 |
| HEWLETT-PACKARD CO DE | | 5,052 |
| IMPERIAL TOBACCO GRP PLC SPON ADR | | 52,380 |
| ISHARES SILVER TR ISHARES | | 21,639 |
| ISHARES TR COHEN & STEERS REALTY MAJORS | | 36,326 |
| ISHARES TR RUSSELL 1000 VALUE INDEX FD | | 63,462 |
| ISHARES TR S&P LATIN AMER 40 | | 10,818 |
| J P MORGAN CHASE & CO | | 4,242 |
| JINPAN INTL LTD ORD SHS | | 1,441 |
| KINDER MORGAN MGMT LLC SHS | | 46,816 |
| KRAFT FOODS INC CL A | | 3,243 |
| LUKOIL OIL CO SPONS ADR | | 4,907 |
| MARKET VECTORS ETF TR GOLD MINERS ETF | | 61,872 |
| MARKET VECTORS ETF TR JR GOLD MINERS ETF | | 8,271 |
| MARVELL TECHNOLOGY GROUP LTS | | 1,855 |
| NORDIC AMERICAN TANKER SHIPPING LTD | | 7,806 |
| NORTH AMERICA PALLADIUM LTD | | 15,927 |
| NYSE EURONEXT | | 1,499 |
| ORACLE CORPORATION NFS LLC IS A MARKET | | 7,825 |
| ORMAT TECHNOLOGIES INC | | 7,956 |
| PAN AMERICAN SILVER CORP | | 10,330 |
| PARLUX FRAGRANCES INC | | 124,525 |
| PFIZER INC NFS IS A SPECIALIST | | 1,505 |
| POTASH CORP SASK INC | | 7,312 |
| POWERSHARES DB G10 CURRENCY HARVEST | | 2,477 |
| PROCERA NETWORKS INC | | 310 |
| PROSHARES TR II PROSHARES ULTA DJ | | 3,124 |
| PROSHARES TR SHORT S&P 500 PROSHARES | | 4,384 |
| PROSHARES TR ULTRASHORT LEHMAN | | 7,408 |
| RARE ELEMENT RES LTD | | 61,076 |
| RENAISSANCE GOLD INC COM NPV | | 181 |
| ROYAL GOLD INC | | 9,318 |
| RUNICON MINERALS CORP | | 5,710 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| RYDEX ETF TR RYDEX S&P 500 PURE | $ | 17,624 |
| RYDEX ETF TR S&P 500 EQUAL | | 19,134 |
| SEABRIDGE RESOURCES INC | | 5,031 |
| SILVER STANDARD RES INC | | 4,261 |
| SILVER WHEATON CORP COM | | 58,716 |
| SIRIUS XM RADIO INC COM | | 7,172 |
| SPDR GOLD TR GOLD SHS | | 138,720 |
| SPDR INDEX SHS FDS DJ WILSHIRE INTL | | 45,302 |
| STATOLD ASA SPON ADR | | 1,426 |
| STILLWATER MINING COMPANY | | 13,771 |
| STONEMOR PARTNERS LP COM UNITS SHARES | | 52,587 |
| TECK CORP LTD CL B SUB VTG | | 18,549 |
| TENGASCO INC NEW | | 1,896 |
| TIME WARNER NEW COM NEW | | 3,217 |
| TIREX RES LTD COM | | 5,824 |
| TRW AUTOMOTIVE HLDGS CORP | | 1,476 |
| UNITED PARCEL SVS INC | | 3,629 |
| UNITED STS NAT GAS FD LP UNIT | | 17,976 |
| UNITED TECHNOLOGIES CORP | | 3,936 |
| VANGUARD INTL EQUITY INDEX FD INC | | 9,111 |
| VERIZON COMMUNICATIONS | | 894 |
| WAL-MART SORE INC NFS IS A SPECIALIST | | 5,393 |
| WASHINGTON MUTUAL INC | | 57 |
| XOMA LTD SHS NEW ISIN #BMG98525R2069 | | 667 |
| **Total Non-Employer Corporate Stock (Common)** | | 1,757,108 |
| **Interest in Common/Collective Trust** | | |
| **Common Collective Trust* | | |
| FID MGD INC PORT | | 14,575,524 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| **Interest in Registered Investment Companies** | | |
| *Fidelity Mutual Funds* | | |
| FID VALUE STRATEGIES | $ | 2,401,043 |
| FID CONTRAFUND | | 15,813,948 |
| FID STK SEL SM CAP | | 1,399,099 |
| FID LEVERAGED CO STK | | 5,982,483 |
| SPTN INTL INDEX INV | | 299,276 |
| FID CAP APPRECIATION | | 9,846,180 |
| SPTN EXT MKT IDX INV | | 667,404 |
| FIDELITY LOW PR STK | | 4,094,624 |
| FID DIVERSIFIED INTL | | 8,123,379 |
| FID STRATEGIC INCOME | | 2,987,029 |
| FID FREEDOM INCOME | | 429,809 |
| FID FREEDOM 2000 | | 248,610 |
| FID FREEDOM 2010 | | 1,205,844 |
| FID FREEDOM 2020 | | 5,670,063 |
| FID FREEDOM 2030 | | 6,015,569 |
| FID SM CAP DISCOVERY | | 1,499,851 |
| SPARTAN 500 INDEX INV | | 5,726,621 |
| FID FREEDOM 2040 | | 2,532,196 |
| FID FREEDOM 2005 | | 662,212 |
| FID FREEDOM 2015 | | 1,230,223 |
| FID FREEDOM 2025 | | 4,043,749 |
| FID FREEDOM 2035 | | 1,375,432 |
| FID SMALL CAP VALUE | | 733,294 |
| FID FREEDOM 2045 | | 561,615 |
| FID FREEDOM 2050 | | 859,422 |
| PIMCO TOT RETURN ADM | | 9,136,395 |
| ARTISAN MID CAP INV | | 9,745,446 |
| OAKMARK EQ & INC I | | 5,640,594 |
| ROYCE LOW PR STK SER | | 3,836,541 |
| IVK GROWTH & INCOME A | | 4,632,408 |
| LD ABBETT MIDCPVAL P | | 2,016,060 |
| NB INTL FUND TRUST | | 1,036,298 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| INVS HIGH YIELD INST | $ | 236,125 |
| RS EMERGING MKTS A | | 502,353 |
| *External Funds* | | |
| INVESCO GOLD | | 13,097 |
| AMERICAN CENTURY MID CAP VALUE INV SHS | | 25,567 |
| BRIDGEWAY ULTRA SMAL CO TAX ADVANTAGE | | 70,541 |
| JANUS SMALL CAP VALUE INVST SHS | | 15,853 |
| PIMCO COMMODITY REAL RETURN CL D | | 4,864 |
| SOUND SHORE FD INC | | 26,493 |
| VANGUARD REIT INDEX FUND | | 8,964 |
| VANGUARD BOND INDEX SHORT TERM | | 49,874 |
| FAIRHOLME FUND | | 45,132 |
| INTREPID SMALL CAP FUND | | 5,709 |
| MATTHEWS CHINS FUND | | 11,389 |
| MATTHEWS INDIA FUND | | 2,508 |
| TCW EMERGING MARKETS INCOME CL N | | 5,214 |
| *Unit* | | |
| ARBOR RLTY TR INC | | 5,806 |
| KINDER MORGAN ENERGY PARTNERS LP | | 49,182 |
| SENIOR HOUSIN PROPERTY TRUST | | 49,365 |
| *Fidelity Fund* | | |
| FIDELITY NEW MARKETS INCOME | | 15,762 |
| SPARTAN TOTAL MARKET INDEX | | 31,952 |
| SPARTAN INT'L INDEX FUND | | 19,951 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| FIDELITY CAPITAL & INCOME | $ | 4,056 |
| FIDELITY SHORT TERM BOND | | 48,914 |
| FIDELITY GINNIE MAE | | 14,371 |
| FIDELITY INTERM GOV'T INCOME | | 14,156 |
| FIDELITY TOTAL BOND | | 14,714 |
| **Total Interest in Registered Investment Companies** | | 121,744,629 |
| **Rights/Warrants** | | |
| *Company Stock* | | |
| VAUGHAN FOODS INC WT CL B EXP | | 9 |
| ***Participant Loans** | | |
| Interest rates 4.25% to 9.75% | | 1,328,398 |
| **Total Investments** | $ | 140,571,670 |

*Party-in interest

Form **5558**
(Rev. January 2008)
Department of the Treasury
Internal Revenue Service

# Application for Extension of Time To File Certain Employee Plan Returns

► **For Privacy Act and Paperwork Reduction Act Notice, see instructions on page 3.**

OMB No. 1545-0212

**File With IRS Only**

## Part I Identification

**A** Name of filer, plan administrator, or plan sponsor (see instructions)

Number, street, and room or suite no. (If a P.O. box, see instructions)

City or town, state, and ZIP code

**B** **Filer's identifying number (see instructions).**

☐ Employer identification number (EIN).

☐ Social security number (SSN)

| **C** Plan name | Plan number | Plan year ending— MM | DD | YYYY |
|---|---|---|---|---|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |

## Part II Extension of Time to File Form 5500 or Form 5500-EZ *(see instructions)*

**1** I request an extension of time until ____/____/____ to file Form 5500 or Form 5500-EZ.

The application **is automatically approved** to the date shown on line 1 (above) if: **(a)** the Form 5558 is filed on or before the normal due date of Form 5500 or 5500-EZ for which this extension is requested, and **(b)** the date on line 1 is no more than 2½ months after the normal due date.

**You must attach a copy of this Form 5558 to each Form 5500 and 5500-EZ filed after the due date for the plans listed in C above.**

**Note.** A signature is not required if you are requesting an extension to file Form 5500 or Form 5500-EZ.

## Part III Extension of Time to File Form 5330 *(see instructions)*

**2** I request an extension of time until ____/____/____ to file Form 5330.
You may be approved for up to a six (6) month extension to file Form 5330, after the normal due date of Form 5330.

**a** Enter the Code section(s) imposing the tax . . . . . ► **a**

**b** Enter the payment amount attached . . . . . ► **b**

**c** For excise taxes under section 4980 or 4980F of the Code, enter the reversion/amendment date . . . ► **c**

**3** **State in detail why you need the extension**

Under penalties of perjury, I declare that to the best of my knowledge and belief, the statements made on this form are true, correct, and complete, and that I am authorized to prepare this application.

**Signature** ► **Date** ►

Financial Statements and Report of
Independent Certified Public Accountants

# Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

December 31, 2010 and 2009

# Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

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Audit • Tax • Advisory

**Grant Thornton LLP**
2010 Corporate Ridge, Suite 400
McLean, VA 22102-7838

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## Report of Independent Certified Public Accountants

Trustees
Argon ST, Inc. 401(k) Profit Sharing Plan and Trust

We were engaged to audit the accompanying statement of net assets available for benefits of the Argon ST, Inc., 401(k) Profit Sharing Plan and Trust (the Plan) as of December 31, 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2010, and the supplemental schedule of assets (held at end of year) as of December 31, 2010. These financial statements and supplemental schedule 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 C, which was certified by Fidelity Management Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the 2010 financial statements and the supplemental schedule. We have been informed by the plan administrator that the trustee holds the certified Plan assets and executes the related transactions. The plan administrator has obtained a certification from the trustee as of and for the year ended December 31, 2010, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information in the Plan's 2010 financial statement that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule as of or for the year ended December 31, 2010. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

We have audited the statement of net assets available for benefits of the Argon ST, Inc., 401(k) Profit Sharing Plan and Trust as of December 31, 2009, and in our report dated June 28, 2010, we expressed our opinion that such financial statement presents fairly, in all material respects, the financial status of the Argon ST, Inc., 401(k) Profit Sharing Plan and Trust as of December 31, 2009, in conformity with accounting principles generally accepted in the United States of America.

Grant Thornton LLP

McLean, Virginia
July 26, 2011

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Statements of Net Assets Available for Benefits

| *December 31,* | 2010 | 2009 |
|---|---|---|
| ***Assets*** | | |
| Investments at fair value: | | |
| Interest-Bearing Cash | $ 1,123,546 | $ 817,817 |
| Registered Investment Companies | 121,744,629 | 90,101,868 |
| Argon ST Common Stock | — | 4,855,928 |
| Non-Employer Common Stock | 1,757,108 | 773,537 |
| Common Collective Trust | 14,575,524 | 13,268,561 |
| US Government Securities | 32,422 | 26,047 |
| Other Investments | 10,043 | 180 |
| Total investments | 139,243,272 | 109,843,938 |
| Receivables: | | |
| Employer match contributions | 401,738 | 373,306 |
| Other receivable | — | 4,346 |
| Participant Loans | 1,328,398 | 1,171,450 |
| Net assets available for benefit at fair value | 140,973,408 | 111,393,040 |
| Adjustment from fair value to contract value for common collective trust | (118,513) | 246,731 |
| **Net Assets Available for Benefits** | $ 140,854,895 | $ 111,639,771 |

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

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Statement of Changes in Net Assets Available for Benefits

| *Year Ended December 31,* | | **2010** |
|---|---|---|
| **Additions** | | |
| Investment income: | | |
| Interest and dividends | $ | 2,220,179 |
| Net increase in fair value of investments | | 18,584,450 |
| Total investment income | | 20,804,629 |
| Interest income on notes receivable from participant | | 67,074 |
| Contributions: | | |
| Participant | | 8,472,725 |
| Participant rollover | | 644,992 |
| Employer match | | 7,524,313 |
| Total contributions | | 16,642,030 |
| **Total Additions** | | 37,446,659 |
| **Deductions** | | |
| Benefits paid to participants | | 8,280,234 |
| Plan expenses | | 18,375 |
| **Total Deductions** | | 8,298,609 |
| **Net Increase** | | 29,215,124 |
| **Net Assets Available for Benefits,** beginning of period | | 111,639,771 |
| **Net Assets Available for Benefits,** end of period | $ | 140,854,895 |

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

## NOTE A—PLAN DESCRIPTION

The following brief description of the Argon ST, Inc., 401(k) Profit Sharing Plan and Trust (the Plan), is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

### *General*

The Plan was established January 1, 1995, to provide retirement benefits for eligible employees of the participating employer. The participating employer is Argon ST, Inc. (the Company). Effective January 1, 2000, the Plan entered into a tax-favored savings and trust agreement with Fidelity Management Trust Company (Fidelity).

On August 5, 2010, The Boeing Company (Boeing) acquired 100% of the common shares of Argon ST, Inc. As a wholly-owned subsidiary of Boeing, Argon will transition to the benefit plans of Boeing, including the Boeing Voluntary Investment Plan (VIP) 401(k), effective the first payroll on or after January 1, 2012. The Plan will continue to be maintained separately until it is merged into the VIP, at a date still to be determined. Participants will have access to the Plan for investment fund transfers, loans and both regular and hardship withdrawals, but participants will not be able to contribute to the Plan.

All employees of the employer are eligible to participate, except members of a collective bargaining unit where retirement benefits have been the subject of good faith bargaining, nonresident aliens who do not receive any earned income from the Company which constitutes United States earned income, leased employees and casual or temporary employees. Employees become eligible to participate on the date of hire. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

### *Contributions*

Participants may contribute a percentage of their pre-tax annual compensation as defined in the Plan. Participants may also contribute amounts representing distributions from other qualified retirement plans. Effective April 1, 2007, participants also may choose a Roth deferral contribution on an after-tax basis.

The employer makes a non-discretionary matching contribution, subject to certain Plan limitations, in an amount equal to 100 percent of the participant's deferral, limited to six percent of the participant's eligible compensation. The employer matching contribution amounted to $4,578,362 for the Plan year ended December 31, 2010. In addition, a safe harbor contribution equal to 3% of covered compensation is made to each eligible employee of the Company, regardless of the employees' participation in the Plan. The safe harbor contribution amounted to $2,945,951 for the Plan year ended December 31, 2010. Each year the employer may also contribute to the Plan a discretionary profit sharing contribution in addition to any matching contributions. The Company did not make a discretionary profit sharing contribution for the Plan year ended December 31, 2010.

### *Participant Accounts*

Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contributions, and (b) Plan earnings. Allocations to each participant account for the Company's discretionary profit sharing contribution is based on the ratio of their compensation for the plan year to the aggregate eligible compensation of all such participants in that year. Investment income or losses are allocated based on participants' account balances.

## NOTE A—PLAN DESCRIPTION—Continued

### *Investments*

Upon enrollment in the Plan, a participant may direct employee contributions to various investment options, including among others, fixed income, capital appreciation, income and growth mutual funds, Argon ST common stock (no longer available following the acquisition of the Company by The Boeing Company), a common collective trust, as well as a self-directed brokerage account option. Fidelity is custodian of the funds. Participants may change their investment options daily.

### *Vesting*

Participants are immediately vested in their contributions, rollover accounts and the Company's safe harbor contributions plus actual earnings thereon. Vesting in the remainder of the plan account is based on years of continuous service. A participant is 100 percent vested after five years of credited service.

### *Payment of Benefits*

On termination of service, including separation due to death, disability or retirement, a participant may elect to receive an amount equal to the value of the participant's vested interest in his or her account in either a lump-sum amount, or in annual installments. If the account balance is less than $5,000, the distribution shall be paid in the form of a lump-sum benefit.

### *Notes Receivable from Participants*

Loans to participants may be no less than $1,000 and no greater than the lesser of $50,000 or one-half of the participant's vested interest in his or her account. The period of repayment may not exceed five years, except for loans used to acquire, construct, or rehabilitate a dwelling unit used as a principal residence. All loans bear interest under a fixed rate determined by the Plan Administrator. Principal and interest are generally paid ratably through bi-weekly payroll deductions. Loans must be repaid prior to any participant (borrower) distribution.

## NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### *Method of Accounting*

The Plan uses the accrual basis of accounting for the presentation of the financial statements.

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

## NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

### *Investment Valuation and Income Recognition*

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note F for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

### *Notes Receivable From Participants*

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are reclassified as distributions based upon the terms of the plan document.

### *Use of Estimates*

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as revenue and expenses during the reporting period. Actual results could differ from those estimates.

### *Benefit Payments*

Benefits are recorded when paid.

### *Risks and Uncertainties*

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

## NOTE B—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES—Continued

### *Adoption of New Accounting Standards*

In January 2010, the FASB issued guidance that clarifies existing disclosures and requires new disclosures about fair value measurements. The clarifications and the requirement to disclose the amounts and reasons for significant transfers between Level 1 and level 2 and significant transfers into and out of Level 3 of the fair value hierarchy are effective for periods beginning after December 15, 2009. The new requirement that purchases, sales, issuances, and settlements be presented gross in the Level 3 reconciliation is effective for fiscal years beginning after December 15, 2010 and for interim periods within those years, with early adoption permitted. Since this new guidance only amends the disclosure requirements, it will not have any impact on the Plan's statement of net assets or statement of changes in net assets.

In September 2010, the FASB issued guidance clarifying the classification and measurement of participant loans by defined contribution pension plans. That guidance requires that participant loans be classified as notes receivable from participants and measured at their unpaid principal balance, plus any accrued but unpaid interest. The Plan adopted this new guidance in its December 31, 2010 financial statements and has reclassified participant loans of $1,328,398 and $1,171,450 for the years ended December 31, 2010 and 2009, respectively, from investments to notes receivable from participants. Net assets of the Plan were not affected by the adoption of the new guidance.

### *Subsequent Events*

The Plan has evaluated subsequent events through July 26, 2011, the date the financial statements were available to be issued. The Plan is not aware of any additional subsequent events which would require recognition or disclosure in the accompanying financial statements.

## NOTE C—INFORMATION CERTIFIED BY THE PLAN TRUSTEE

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the trustee has certified that the following data included in the accompanying financial statements and supplemental schedule are complete and accurate.

- Investments and participant loans receivable, as shown in the statement of net assets available for benefits as of December 31, 2010.
- Investment income and interest income on notes receivable from participants, as shown in the statement of changes in net assets available for benefits for the year ended December 31, 2010.
- Schedule of Assets (Held at End of Year) as of December 31, 2010.

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

## NOTE D—ADMINISTRATIVE EXPENSES

The Company absorbs substantially all of the Plan recordkeeping and administrative expenses. Expenses incurred and paid for by the Plan for the Plan year ended December 31, 2010 were $18,375.

## NOTE E—INCOME TAX STATUS

The Company adopted a prototype plan offered through Fidelity. The prototype plan was approved by the Internal Revenue Service (IRS) as acceptable under Section 401(a) of the Internal Revenue Code (IRC), for use by employers for the benefit of their employees. Argon ST did not request its own determination letter and we believe the plan is designed and being operated in accordance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Company has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Company believes it is no longer subject to income tax examinations for year prior to 2007.

## NOTE F—INVESTMENTS

The following presents investments that represent five percent or more of the Plan's net assets as of December 31, 2010 and December 31, 2009:

| *December 31,* | 2010 | 2009 |
|---|---|---|
| Fidelity Capital Appreciation | $ 9,846,180 | $ 8,642,140 |
| Fidelity Contrafund | 15,813,948 | 13,322,683 |
| Artisan Mid Cap | 9,745,446 | 6,783,017 |
| Fidelity Diversified International | 8,123,379 | 6,952,240 |
| Fidelity Managed Income Portfolio | 14,575,524 | 13,268,561 |
| PIMCO Total Return | 9,136,395 | 7,504,314 |

**** Amounts did not exceed 5% of Plan assets at end of year.***

As of December 31, 2010, the Plan was invested in a common collective trust, Fidelity's Managed Income Portfolio, which owns fully benefit-responsive investment contracts. The Plan's interest in the Fidelity Managed Income Portfolio is calculated by applying the Plan's ownership percentage in the Fidelity Managed Income Portfolio to the total fair value of such fund.

For year ended December 31, 2010, the Plan's investments increased in value by $18,584,450 as follows:

| | |
|---|---|
| Registered Investment Companies | $ 14,950,912 |
| Argon ST Common Stock | 3,178,455 |
| Other | 455,083 |
| | $ 18,584,450 |

On August 5, 2010 Boeing acquired 100% of the common shares of Argon, including all shares held by participants in the Plan.

## NOTE G—FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ("FASB") Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value and expands disclosures about fair value measurements.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. There have been no changes in the methodologies used at December 31, 2010 and 2009.

Common stocks and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Registered Investment Companies and Common Collective Trust: Valued at the net asset value of shares held by the plan at year end.

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

## NOTE G—FAIR VALUE MEASUREMENTS—Continued

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2010 and 2009:

| | Assets at Fair Value as of December 31, 2010 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| Interest-bearing Cash | $ 1,123,546 | $ — | $ — | $ 1,123,546 |
| Registered Investment Companies: | | | | |
| Balanced | 30,120,126 | — | — | 30,120,126 |
| Fixed Income | 9,450,519 | — | — | 9,450,519 |
| Growth | 70,535,383 | — | — | 70,535,383 |
| Income | 3,439,958 | — | — | 3,439,958 |
| Index | 6,795,078 | — | — | 6,795,078 |
| Other | 1,403,565 | — | — | 1,403,565 |
| Total | 121,744,629 | — | — | 121,744,629 |
| Argon ST Common Stock | — | — | — | — |
| Non-employer Common Stock: | | | | |
| Basic Materials | 801,870 | — | — | 801,870 |
| Consumer Goods | 187,564 | — | — | 187,564 |
| Technology | 184,809 | — | — | 184,809 |
| Financial | 319,671 | — | — | 319,671 |
| Other | 263,194 | — | — | 263,194 |
| Total | 1,757,108 | — | — | 1,757,108 |
| Common Collective Trusts | — | 14,575,524 | — | 14,575,524 |
| U.S. Government Securities | — | 32,422 | — | 32,422 |
| Other Investments | — | 10,043 | — | 10,043 |
| Total Assets | $ 124,625,283 | $ 14,617,989 | $ — | $ 139,243,272 |

## NOTE G—FAIR VALUE MEASUREMENTS—Continued

| | Assets at Fair Value as of December 31, 2009 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| Interest-bearing Cash | $ 817,817 | $ — | $ — | $ 817,817 |
| Registered Investment Companies: | | | | |
| Balanced | 17,972,925 | — | — | 17,972,925 |
| Fixed Income | 8,545,824 | — | — | 8,545,824 |
| Growth | 55,556,925 | — | — | 55,556,925 |
| Income | 3,473,896 | — | — | 3,473,896 |
| Index | 4,101,808 | — | — | 4,101,808 |
| Other | 450,490 | — | — | 450,490 |
| Total | 90,101,868 | — | — | 90,101,868 |
| Argon ST Common Stock | 4,855,928 | — | — | 4,855,928 |
| Non-employer Common Stock: | | | | |
| Basic Materials | 298,171 | — | — | 298,171 |
| Consumer Goods | 175,707 | — | — | 175,707 |
| Technology | 64,310 | — | — | 64,310 |
| Financial | 61,757 | — | — | 61,757 |
| Other | 173,592 | — | — | 173,592 |
| Total | 773,537 | — | — | 773,537 |
| Common Collective Trusts | — | 13,268,561 | — | 13,268,561 |
| U.S. Government Securities | — | 26,047 | — | 26,047 |
| Other Investments | — | 180 | — | 180 |
| Total Assets | $ 96,549,150 | $ 13,294,788 | $ — | $ 109,843,938 |

In accordance with the fair value measurements and disclosures guidance, the following table presents the category, fair value, redemption frequency and redemption notice period for Plan investments, the fair values of which are estimated using the NAV per share as of December 31, 2010 and 2009:

| | Fair Value 2010 | Fair Value 2009 | Unfunded Commitments | Expected Liquidation Term | Redemption Terms | Redemption Restrictions |
|---|---|---|---|---|---|---|
| Fidelity Managed Income Portfolio[a] | $ 14,575,524 | $ 13,268,561 | $ — | — | See Note H | See Note H |

[a] The investment objective of the Managed Income Portfolio (MIP) is to seek the preservation of capital and to provide a competitive level of income over time that is consistent with the preservation of capital.

## NOTE H—COMMON COLLECTIVE TRUST

Participants' ownership of the MIP is represented as units. Units are issued and redeemed daily at the MIP's constant NAV of $1 per unit. The MIP allows for daily liquidity with no additional days notice required for redemption. It is the policy of the MIP to use its best efforts to maintain a stable NAV of $1 per unit, although there is no guarantee that the MIP will be able to maintain this value.

Participants ordinarily may direct the withdrawal or transfer of all or a portion of their investment in the MIP at contract value. Contract value represents contributions made to the MIP, plus earnings, less participant withdrawals and administrative expenses. The MIP imposes certain restrictions on the Plan, and the MIP itself may be subject to circumstances that impact its ability to transact at contract value, as described in the following paragraphs. Plan management believes the occurrence of events that would cause the MIP to transact at less than contract value is not probable.

The MIP invests in assets (typically fixed income securities or bond funds and may include derivative instruments such as futures contracts and swap agreements) and enters into "wrapper" contracts issued by third parties and invests in cash equivalents represented by shares in a money market fund. A wrap contract is an agreement by another party, such as a bank or insurance company, to make payments to the MIP in certain circumstances. Wrap contracts are designed to allow a stable value portfolio to maintain a constant NAV and protect a portfolio in extreme circumstances. In a typical wrap contract, the wrap issuer agrees to pay a portfolio the difference between the contract value and the market value of the underlying assets once the market value has been totally exhausted.

The following events may limit the ability of the Plan to transact at contract value:

- The Plan's failure to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA.
- Any communication given to Plan participants designed to influence a participant not to invest in the MIP or to transfer assets out of the MIP.
- Any change in law, regulation or administrative ruling applicable to the Plan that could have a material adverse effect on the MIP's cash flow.
- Any transfer of assets from the MIP directly into a competing investment option.
- The establishment of a defined contribution plan that competes with the Plan for employee contributions.
- Complete or partial termination of the Plan or its merger with another plan. Any substantive modifications of the MIP or the administration of the MIP that is not consented to by the wrap issuer.
- Any change in law, regulation or administrative ruling applicable to a plan investing in the MIP that could have a material adverse effect on the MIP's cash flow.

The MIP is unlikely to maintain a stable NAV if, for any reason, it cannot obtain or maintain wrap contracts covering all of its underlying assets. This could result from the MIP's inability to promptly find a replacement wrap contract following termination of a wrap contract. The MIP's ability to receive amounts due pursuant to these wrap contracts is dependent on the third-party issuer's ability to meet their financial obligations. The wrap issuer's ability to meet its contractual obligations under the wrap contracts may be affected by future economic and regulatory developments. In the event that wrap contracts fail to perform as intended, the MIP's NAV may decline if the market value of its assets declines.

*December 31, 2010 and 2009*

## NOTE I—TERMINATION

Although it has not expressed any interest to do so, the employer reserves the right to terminate the Plan and discontinue contributions at any time. In the event of Plan termination, participants become 100 percent vested in their accounts.

## NOTE J—FORFEITURES

At December 31, 2010 and 2009, forfeited non-vested accounts totaled $46,133 and $21,589, respectively. These accounts will be used to reduce future employer contributions. For the year ended December 31, 2010, employer contributions were reduce by $534,364 from forfeited nonvested accounts.

## NOTE K—RECONCILIATION TO FORM 5500

Form 5500 reports Plan assets on a cash basis; accounting principles generally accepted in the United States of America use the accrual basis. A reconciliation of net assets available for Plan benefits according to the financial statements and Form 5500 follows:

| *December 31,* | 2010 | 2009 |
|---|---|---|
| Net assets available for benefits, financial statements | $ 140,854,895 | $ 111,639,771 |
| Less: contributions receivable | (401,738) | (373,306) |
| Fair value adjustment for common collective trust | 118,513 | (246,731) |
| Net assets available for Plan benefits, Form 5500 | $ 140,571,670 | $ 111,019,734 |

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

| *Year ended December 31, 2010* | |
|---|---|
| Change in net assets, financial statements | $ 29,215,124 |
| Add: contributions receivable, beginning of year | 373,306 |
| Less: contributions receivable, end of year | (401,738) |
| Add: fair value adjustment for common collective trust | 365,244 |
| Net income, Form 5500 | $ 29,551,936 |

## NOTE L—RELATED PARTY TRANSACTIONS

Certain Plan investments are shares of Argon ST, Inc. common stock. Argon ST is the Plan sponsor and, therefore, qualifies as a related party. At December 31, 2009 the Plan held 223,636 shares of Argon ST common stock with a fair value of $4,855,928. On August 5, 2010, the Boeing Company acquired 100 percent of the outstanding shares of Argon ST, Inc., including those shares held by the Plan. As a result, at December 31, 2010, the Plan held no shares of Argon ST common stock.

The Plan has not considered Argon ST contributions to the Plan, or benefits accrued or paid by the Plan, for participants as party-in-interest transactions.

Certain Plan investments are managed by Fidelity Management Trust Company, the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest.

Fees paid during the year by the Plan sponsor for legal, accounting, and other professional services rendered by parties-in-interest were based on customary and reasonable rates for such services.

The Plan sponsor provides to the Plan certain accounting and administrative services for which no fees are charged.

Supplemental Information

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| **Interest Bearing Cash** | | |
| *Cash* | | |
| FIDELITY CASH RESERVES | $ | 694,518 |
| FIDELITY US GOV'T RESERVES | | 23,451 |
| *Certificate of Deposit* | | |
| ALLY BK MIDVALUE UTAH CD | | 40,144 |
| AMERICAN FED BK FARGO ND | | 2,080 |
| ASSOCIATED BK GREEN BAY | | 8,051 |
| BEACON FED NY CD | | 1,046 |
| BYRON BANK MICH CD | | 52,690 |
| CAPITAL ONE NATL ASSN VA | | 57,385 |
| CAPITAL ONE NATL ASSN VA | | 3,279 |
| COMMERCIAL BK ALA MICH | | 2,146 |
| DISCOVER BK GREENWOOD DEL | | 2,084 |
| DISCOVER BK GREENWOOD DEL | | 1,091 |
| DISCOVER BK GREENWOOD DEL | | 6,481 |
| GE MONEY BANK CD | | 20,554 |
| GOLDMAN SACHS BK USA NY | | 3,466 |
| GOLDMAN SACHS BK USA UT | | 52,506 |
| GOLDMAN SACHS BK USA NY | | 1,114 |
| IRONSTONE BK FT MYERS FLA | | 48,203 |
| LEHMAN BROS FSB WILMINGTON DE | | 48,410 |
| MORGAN STANLEY BK N A UTAH | | 2,148 |
| WORTHINGTON FED BK ALA | | 52,699 |
| **Total Interest Bearing Cash** | | 1,123,546 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| **U.S. Government Securities** | | |
| *Government Bonds* | | |
| US TREAS BDS 9.125% 05/15/2018 | $ | 5,731 |
| UNITED STATES TREAS NTS | | 2,539 |
| UNITED STATES TREAS NTS TIPS | | 6,354 |
| UNITED STATES TREAS NTS | | 6,043 |
| UNITED STATES TREAS NTS | | 10,046 |
| US TREAS SEC STRPPD GENERIC TINT PMT | | 1,709 |
| **Total U.S. Government Securities** | | 32,422 |
| **Corporate Bonds** | | |
| DOW CHEMICAL CO NOTES | | 10,034 |
| **Non-Employer Corporate Stock (Common)** | | |
| *Common Stock* | | |
| A5 LABORATORIES INC COM | | 301 |
| ACTIVISION BLIZZARD INC COM | | 2,488 |
| AKAMAI TECH NDS LLC IS A MARKET | | 9,410 |
| AMERGENCE GROUP INC COM NEW | | 120 |
| AMERICAN CAP AGY CORP COM | | 3,336 |
| AMERICAN SIERRA GOLD CORP COM | | 130 |
| ANTHRACITE CAP INC | | 3 |
| APOGEE MINERALS LTD | | 1,252 |
| APPLE COMPUTER INC NFS LLC IS A MARKET | | 129,024 |
| AT&T INC COM | | 4,407 |
| ATAC RED LTD COM | | 789 |
| ATHEROS COMMUNICATIONS INC | | 4,921 |
| ATWOOD OCEANICS INC | | 3,737 |
| AURIZON MINES LTD | | 732 |
| BANK OF AMERICA CORP | | 4,002 |
| BARCLAYS BK PLC IPATH S&P 500 VIX | | 18,805 |
| BEAZER HOMES USA INC | | 539 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| BERKSHIRE HATHAWAY INC DEL CL B NEW | $ | 8,011 |
| CAPITALSOURCE INC | | 3,642 |
| CAPSTEAD MTG CORP COM NO PAR | | 775 |
| CELL THERAPEUTICS INC COM NO PAR | | 529 |
| CHESAPEAKE ENERGY CORPORATION | | 5,182 |
| CHEVRONTEXACO CORP | | 9,125 |
| CHINA PRECISION STL INC | | 1,700 |
| CISCO SYS INC NFS LLC IS A MARKET | | 4,046 |
| CITIGROUP INC NFS IS A SPECIALIST | | 12,558 |
| CLAYMORE EXCHANGE TRADED FD TR | | 2,932 |
| COEUR D ALENE MINES CORP IDAHO COM NEW | | 56,990 |
| CYIOS CORP COM | | 39 |
| DENNISON MINES CORP COM | | 11,970 |
| DIAMOND OFFSHORE DRILLING INC | | 3,343 |
| DIREXION SHS ETF TR DAILY 30 YR TREASURY | | 12,963 |
| DIREXION SHS ETF TR DAILY FINL BULL 3X | | 8,353 |
| DIREXION SHS ETF TR DAILY REAL ESTATE | | 7,204 |
| DIREXION SHS ETF TR ENERGY BULL 3X SHS | | 5,845 |
| DISCOVERY COMMUNICATIONS INC | | 7,338 |
| DULUTH METALS LTD COM | | 15,760 |
| E ON AG ADR | | 25,459 |
| E TRADE FINL CORP COM NEW | | 7,840 |
| EATON VANCE TAX MANAGED GLOBAL BUY | | 48,978 |
| EBAY INC NFS LLC IS A MARKET | | 696 |
| EMERSON RADIO CORP | | 5,940 |
| ENDEAVOUR SILVER CRP | | 5,652 |
| ENERGY CONVERSION DEVICES INC | | 9,200 |
| FANNIE MAE NFS IS A SPECIALIST | | 120 |
| FERO INDS INC COM NEW | | 80 |
| FIRST MAJESTIC SILVER CORP COM | | 19,341 |
| FRONTIER GOLD INC COM | | 1,513 |
| FRONTLINE LTD | | 4,567 |
| GOLD RESOURCE CORP COM | | 190,450 |
| GOLDCORP INC NEW | | 16,262 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
EIN: 38-1873250
Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| GOLDMAN SACHS GROUP INC | $ | 8,417 |
| HECLA MINING CO | | 12,926 |
| HEWLETT-PACKARD CO DE | | 5,052 |
| IMPERIAL TOBACCO GRP PLC SPON ADR | | 52,380 |
| ISHARES SILVER TR ISHARES | | 21,639 |
| ISHARES TR COHEN & STEERS REALTY MAJORS | | 36,326 |
| ISHARES TR RUSSELL 1000 VALUE INDEX FD | | 63,462 |
| ISHARES TR S&P LATIN AMER 40 | | 10,818 |
| J P MORGAN CHASE & CO | | 4,242 |
| JINPAN INTL LTD ORD SHS | | 1,441 |
| KINDER MORGAN MGMT LLC SHS | | 46,816 |
| KRAFT FOODS INC CL A | | 3,243 |
| LUKOIL OIL CO SPONS ADR | | 4,907 |
| MARKET VECTORS ETF TR GOLD MINERS ETF | | 61,872 |
| MARKET VECTORS ETF TR JR GOLD MINERS ETF | | 8,271 |
| MARVELL TECHNOLOGY GROUP LTS | | 1,855 |
| NORDIC AMERICAN TANKER SHIPPING LTD | | 7,806 |
| NORTH AMERICA PALLADIUM LTD | | 15,927 |
| NYSE EURONEXT | | 1,499 |
| ORACLE CORPORATION NFS LLC IS A MARKET | | 7,825 |
| ORMAT TECHNOLOGIES INC | | 7,956 |
| PAN AMERICAN SILVER CORP | | 10,330 |
| PARLUX FRAGRANCES INC | | 124,525 |
| PFIZER INC NFS IS A SPECIALIST | | 1,505 |
| POTASH CORP SASK INC | | 7,312 |
| POWERSHARES DB G10 CURRENCY HARVEST | | 2,477 |
| PROCERA NETWORKS INC | | 310 |
| PROSHARES TR II PROSHARES ULTA DJ | | 3,124 |
| PROSHARES TR SHORT S&P 500 PROSHARES | | 4,384 |
| PROSHARES TR ULTRASHORT LEHMAN | | 7,408 |
| RARE ELEMENT RES LTD | | 61,076 |
| RENAISSANCE GOLD INC COM NPV | | 181 |
| ROYAL GOLD INC | | 9,318 |
| RUNICON MINERALS CORP | | 5,710 |

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*December 31, 2010*

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|---|---|---|
| RYDEX ETF TR RYDEX S&P 500 PURE | $ | 17,624 |
| RYDEX ETF TR S&P 500 EQUAL | | 19,134 |
| SEABRIDGE RESOURCES INC | | 5,031 |
| SILVER STANDARD RES INC | | 4,261 |
| SILVER WHEATON CORP COM | | 58,716 |
| SIRIUS XM RADIO INC COM | | 7,172 |
| SPDR GOLD TR GOLD SHS | | 138,720 |
| SPDR INDEX SHS FDS DJ WILSHIRE INTL | | 45,302 |
| STATOLD ASA SPON ADR | | 1,426 |
| STILLWATER MINING COMPANY | | 13,771 |
| STONEMOR PARTNERS LP COM UNITS SHARES | | 52,587 |
| TECK CORP LTD CL B SUB VTG | | 18,549 |
| TENGASCO INC NEW | | 1,896 |
| TIME WARNER NEW COM NEW | | 3,217 |
| TIREX RES LTD COM | | 5,824 |
| TRW AUTOMOTIVE HLDGS CORP | | 1,476 |
| UNITED PARCEL SVS INC | | 3,629 |
| UNITED STS NAT GAS FD LP UNIT | | 17,976 |
| UNITED TECHNOLOGIES CORP | | 3,936 |
| VANGUARD INTL EQUITY INDEX FD INC | | 9,111 |
| VERIZON COMMUNICATIONS | | 894 |
| WAL-MART SORE INC NFS IS A SPECIALIST | | 5,393 |
| WASHINGTON MUTUAL INC | | 57 |
| XOMA LTD SHS NEW ISIN #BMG98525R2069 | | 667 |
| **Total Non-Employer Corporate Stock (Common)** | | 1,757,108 |
| **Interest in Common/Collective Trust** | | |
| **Common Collective Trust* | | |
| FID MGD INC PORT | | 14,575,524 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

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EIN: 38-1873250
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*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| **Interest in Registered Investment Companies** | | |
| *Fidelity Mutual Funds* | | |
| FID VALUE STRATEGIES | $ | 2,401,043 |
| FID CONTRAFUND | | 15,813,948 |
| FID STK SEL SM CAP | | 1,399,099 |
| FID LEVERAGED CO STK | | 5,982,483 |
| SPTN INTL INDEX INV | | 299,276 |
| FID CAP APPRECIATION | | 9,846,180 |
| SPTN EXT MKT IDX INV | | 667,404 |
| FIDELITY LOW PR STK | | 4,094,624 |
| FID DIVERSIFIED INTL | | 8,123,379 |
| FID STRATEGIC INCOME | | 2,987,029 |
| FID FREEDOM INCOME | | 429,809 |
| FID FREEDOM 2000 | | 248,610 |
| FID FREEDOM 2010 | | 1,205,844 |
| FID FREEDOM 2020 | | 5,670,063 |
| FID FREEDOM 2030 | | 6,015,569 |
| FID SM CAP DISCOVERY | | 1,499,851 |
| SPARTAN 500 INDEX INV | | 5,726,621 |
| FID FREEDOM 2040 | | 2,532,196 |
| FID FREEDOM 2005 | | 662,212 |
| FID FREEDOM 2015 | | 1,230,223 |
| FID FREEDOM 2025 | | 4,043,749 |
| FID FREEDOM 2035 | | 1,375,432 |
| FID SMALL CAP VALUE | | 733,294 |
| FID FREEDOM 2045 | | 561,615 |
| FID FREEDOM 2050 | | 859,422 |
| PIMCO TOT RETURN ADM | | 9,136,395 |
| ARTISAN MID CAP INV | | 9,745,446 |
| OAKMARK EQ & INC I | | 5,640,594 |
| ROYCE LOW PR STK SER | | 3,836,541 |
| IVK GROWTH & INCOME A | | 4,632,408 |
| LD ABBETT MIDCPVAL P | | 2,016,060 |
| NB INTL FUND TRUST | | 1,036,298 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

Schedule of Assets (Held at End of Year)
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Plan #003

*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| INVS HIGH YIELD INST | $ | 236,125 |
| RS EMERGING MKTS A | | 502,353 |
| *External Funds* | | |
| INVESCO GOLD | | 13,097 |
| AMERICAN CENTURY MID CAP VALUE INV SHS | | 25,567 |
| BRIDGEWAY ULTRA SMAL CO TAX ADVANTAGE | | 70,541 |
| JANUS SMALL CAP VALUE INVST SHS | | 15,853 |
| PIMCO COMMODITY REAL RETURN CL D | | 4,864 |
| SOUND SHORE FD INC | | 26,493 |
| VANGUARD REIT INDEX FUND | | 8,964 |
| VANGUARD BOND INDEX SHORT TERM | | 49,874 |
| FAIRHOLME FUND | | 45,132 |
| INTREPID SMALL CAP FUND | | 5,709 |
| MATTHEWS CHINS FUND | | 11,389 |
| MATTHEWS INDIA FUND | | 2,508 |
| TCW EMERGING MARKETS INCOME CL N | | 5,214 |
| *Unit* | | |
| ARBOR RLTY TR INC | | 5,806 |
| KINDER MORGAN ENERGY PARTNERS LP | | 49,182 |
| SENIOR HOUSIN PROPERTY TRUST | | 49,365 |
| *Fidelity Fund* | | |
| FIDELITY NEW MARKETS INCOME | | 15,762 |
| SPARTAN TOTAL MARKET INDEX | | 31,952 |
| SPARTAN INT'L INDEX FUND | | 19,951 |

## Argon ST, Inc., 401(k) Profit Sharing Plan and Trust

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*December 31, 2010*

| Identity of Issuer, Borrower, Lessor or Similar Party | | Fair Value |
|---|---|---|
| FIDELITY CAPITAL & INCOME | $ | 4,056 |
| FIDELITY SHORT TERM BOND | | 48,914 |
| FIDELITY GINNIE MAE | | 14,371 |
| FIDELITY INTERM GOV'T INCOME | | 14,156 |
| FIDELITY TOTAL BOND | | 14,714 |
| **Total Interest in Registered Investment Companies** | | 121,744,629 |
| **Rights/Warrants** | | |
| *Company Stock* | | |
| VAUGHAN FOODS INC WT CL B EXP | | 9 |
| ***Participant Loans** | | |
| Interest rates 4.25% to 9.75% | | 1,328,398 |
| **Total Investments** | $ | 140,571,670 |

*Party-in interest