

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	▶ ☒		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan	<u>L-3 SPACE & NAVIGATION PENSION PLAN FOR HOURLY EMPLOYEES</u>	1b Three-digit plan number (PN) ▶	<u>013</u>
		1c Effective date of plan	<u>01/01/2000</u>
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)			
<u>L-3 COMMUNICATIONS CORPORATION</u>			
 <u>600 THIRD AVENUE</u> <u>NEW YORK, NY 10016-1901</u>	 <u>450 CLARK DRIVE</u> <u>BUDD LAKE, NJ 07828</u>	2b Employer Identification Number (EIN) <u>13-3937436</u>	
		2c Sponsor's telephone number <u>212-697-1111</u>	
		2d Business code (see instructions) <u>334200</u>	

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	09/02/2011	PAT HEMPHILL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") L-3 COMMUNICATIONS CORPORATION 600 THIRD AVENUE NEW YORK, NY 10016-1901	3b Administrator's EIN 13-3937436 3c Administrator's telephone number 212-697-1111
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	82
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	40
b Retired or separated participants receiving benefits.....	6b	17
c Other retired or separated participants entitled to future benefits.....	6c	17
d Subtotal. Add lines 6a , 6b , and 6c	6d	74
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	4
f Total. Add lines 6d and 6e	6f	78
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	4

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

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

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

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

A Name of plan <u>L-3 SPACE & NAVIGATION PENSION PLAN FOR HOURLY EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>013</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>L-3 COMMUNICATIONS CORPORATION</u>	D Employer Identification Number (EIN) <u>13-3937436</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>
2	Assets:
a	Market value 2a <u>3989991</u>
b	Actuarial value 2b <u>4226858</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>20</u> <u>2065830</u>
b	For terminated vested participants 3b <u>17</u> <u>417855</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>620002</u>
(2)	Vested benefits 3c(2) <u>2140081</u>
(3)	Total active 3c(3) <u>45</u> <u>2760083</u>
d	Total 3d <u>82</u> <u>5243768</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>6.68</u> %
6	Target normal cost 6 <u>317657</u>

Statement by Enrolled Actuary

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

SIGN HERE	
Signature of actuary	Date
<u>AIDA DOMLIJA, FSA, MAAA</u>	<u>11-06955</u>
Type or print name of actuary	Most recent enrollment number
<u>SIBSON CONSULTING</u>	<u>212-251-5000</u>
Firm name	Telephone number (including area code)
<u>333 W 34TH STREET</u> <u>NEW YORK, NY 10001-2402</u>	
Address of the firm	

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

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

Schedule SB (Form 5500) 2010
v.092308.1

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

Part III	Funding percentages	
14 Funding target attainment percentage.....	14	80.60 %
15 Adjusted funding target attainment percentage.....	15	%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

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

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

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

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

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☐ Yes ☐ No
27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....	27 3

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

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

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

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

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

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

<div>SCHEDULE I</div> <div>(Form 5500)</div> <div>Department of the Treasury</div> <div>Internal Revenue Service</div> <div>Department of Labor</div> <div>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Financial Information—Small Plan</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2010</div> <div>This Form is Open to Public Inspection</div>
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
<div>A Name of plan</div> <div>L-3 SPACE & NAVIGATION PENSION PLAN FOR HOURLY EMPLOYEES</div>		<div>B Three-digit plan number (PN)</div> <div>013</div>
<div>C Plan sponsor's name as shown on line 2a of Form 5500</div> <div>L-3 COMMUNICATIONS CORPORATION</div>		<div>D Employer Identification Number (EIN)</div> <div>13-3937436</div>

Complete Schedule I if the plan covered fewer than 100 participants as of the beginning of the plan year. You may also complete Schedule I if you are filing as a small plan under the 80-120 participant rule (see instructions). Complete Schedule H if reporting as a large plan or DFE.

Part I

Small Plan Financial Information

Report below the current value of assets and liabilities, income, expenses, transfers and changes in net assets during the plan year. Combine the value of plan assets held in more than one trust. Do not enter the value of the portion of an insurance contract that guarantees during this plan year to pay a specific dollar benefit at a future date. 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.

1 Plan Assets and Liabilities:		(a) Beginning of Year	(b) End of Year
a Total plan assets	1a	4006013	5138175
b Total plan liabilities	1b	17206	14479
c Net plan assets (subtract line 1b from line 1a)	1c	3988807	5123696
2 Income, Expenses, and Transfers for this Plan Year:		(a) Amount	(b) Total
a Contributions received or receivable:			
(1) Employers	2a(1)	934214	
(2) Participants	2a(2)		
(3) Others (including rollovers)	2a(3)		
b Noncash contributions	2b		
c Other income	2c	558164	
d Total income (add lines 2a(1), 2a(2), 2a(3), 2b, and 2c)	2d		1492378
e Benefits paid (including direct rollovers)	2e	229969	
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Administrative service providers (salaries, fees, and commissions)	2h		
i Other expenses	2i	127520	
j Total expenses (add lines 2e, 2f, 2g, 2h, and 2i)	2j		357489
k Net income (loss) (subtract line 2j from line 2d)	2k		1134889
l Transfers to (from) the plan (see instructions)	2l		

3 Specific Assets: If the plan held assets at anytime during the plan year in any of the following categories, check "Yes" and enter the current value of any assets remaining in the plan as of the end of the plan year. Allocate the value of the plan's interest in a commingled trust containing the assets of more than one plan on a line-by-line basis unless the trust meets one of the specific exceptions described in the instructions.

	Yes	No	Amount
a Partnership/joint venture interests	3a	X	
b Employer real property	3b	X	
c Real estate (other than employer real property)	3c	X	
d Employer securities	3d	X	
e Participant loans	3e	X	

	Yes	No	Amount
3f Loans (other than to participants)		X	
g Tangible personal property		X	

Part II	Compliance Questions
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4 During the plan year:	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of plan year or classified during the year as uncollectible? Disregard participant loans secured by the participant's account balance.		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible?		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a.)		X	
e Was the plan covered by a fidelity bond?	X		20000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan at any time hold 20% or more of its assets in any single security, debt, mortgage, parcel of real estate, or partnership/joint venture interest?		X	
j Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
k Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? If "No," attach an IQPA's report or 2520.104-50 statement. (See instructions on waiver eligibility and conditions.)	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3			

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

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

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

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2010</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan L-3 SPACE & NAVIGATION PENSION PLAN FOR HOURLY EMPLOYEES		B Three-digit plan number (PN) ► 013
C Plan sponsor's name as shown on line 2a of Form 5500 L-3 COMMUNICATIONS CORPORATION		D Employer Identification Number (EIN) 13-3937436
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): 13-7074646		
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 0
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☒ No ☐ N/A		
If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____		
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☐ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2010 v.092308.1		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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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): _____

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

Pension Benefit Guaranty Corporation

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

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

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

OMB No. 1210-0110

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

A Name of plan L-3 SPACE AND NAVIGATION PENSION PLAN FOR HOURLY EMPLOYEES		B Three-digit plan number (PN) ▶ 013
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF L-3 COMMUNICATIONS CORPORATION		D Employer Identification Number (EIN) 13-3937436
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>			
2 Assets:			
a Market value		2a	3989991
b Actuarial value		2b	4226858
3 Funding target/participant count breakdown			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	20	2065830
b For terminated vested participants	3b	17	417855
c For active participants:			
(1) Non-vested benefits	3c(1)		620002
(2) Vested benefits	3c(2)		2140081
(3) Total active	3c(3)	45	2760083
d Total	3d	82	5243768
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor		4b	
5 Effective interest rate		5	6.68%
6 Target normal cost		6	317657

Statement by Enrolled Actuary

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

SIGN HERE	AIDA DOMLIJA <i>Ad</i>	<u>7/18/2011</u>
Signature of actuary		Date
AIDA DOMLIJA, FSA, MAAA		11-06955
Type or print name of actuary		Most recent enrollment number
SIBSON CONSULTING		212-251-5000
Firm name		Telephone number (including area code)
333 W 34TH STREET		
NEW YORK NY 10001-2402		
Address of the firm		

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

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

Schedule SB (Form 5500) 2010
v.092308.1

Part II Beginning of year carryover and prefunding balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)		
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)		
9 Amount remaining (Item 7 minus item 8)	0	0
10 Interest on item 9 using prior year's actual return of _____ %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		
b Interest on (a) using prior year's effective rate of _____ %		
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		
12 Reduction in balances due to elections or deemed elections		
13 Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	0

Part III Funding percentages

14 Funding target attainment percentage	14	80.60%
15 Adjusted funding target attainment percentage	15	%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c)
					0

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

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

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost**21** Discount rate:**a** Segment rates:1st segment:
%2nd segment:
%3rd segment:
%☐ N/A, full yield curve used**b** Applicable month (enter code)**21b****22** Weighted average retirement age**22****23** Mortality table(s) (see instructions)☐ Prescribed - combined☐ Prescribed - separate☐ Substitute**Part VI Miscellaneous items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☐ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☐ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☐ Yes ☐ No**27** If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.**27**

3

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

0

Part VIII Minimum required contribution for current year**31** Target normal cost, adjusted, if applicable (see instructions)**31****32** Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment**b** Waiver amortization installment**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount**33****34** Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)**34**

0

35 Balances used to offset funding requirement

Carryover balance

Prefunding balance

Total balance

0

36 Additional cash requirement (item 34 minus item 35)**36**

0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)**37****38** Interest-adjusted excess contributions for current year (see instructions)**38****39** Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)**39**

0

40 Unpaid minimum required contribution for all years**40**

0

Attachment to 2010 Schedule SB of Form 5500

2010 Schedule SB, Line 27 – Actuarial Information Based on Pre-PPA Funding Rules

L-3 Space and Navigation Pension Plan for Hourly Employees

EIN 13-3937436 PN 013

As required, all pre-PPA actuarial information is supplied in the Schedule B, and requisite attachments. While the Schedule B is a 2007 form, all information is based on the 1/1/2010 Actuarial Valuation.

Refer to the attachments to the Schedule B form for plan provisions, assumptions (funding target liability is determined with the assumptions used for maximum tax-deductible contribution purposes), and data.

**SCHEDULE B
(Form 5500)**

Department of the Treasury
Internal Revenue Service
Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Actuarial Information

This schedule is required to be filed under Section 104 of the Employee Retirement Income Security Act of 1974, referred to as ERISA, except when attached to Form 5500-EZ and, in all cases, under section 6059(a) of the Internal Revenue Code, referred to as the Code.

▶ **Attach to Form 5500 or 5500-EZ if applicable.**

▶ **See separate instructions.**

Official Use Only

OMB No. 1210-0110

2007

**This Form is Open to Public
Inspection (except when
attached to Form 5500-EZ).**

For calendar plan year 2007 or fiscal plan year beginning 01/01/2010, and ending 12/31/2010

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

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

A Name of plan L-3 SPACE & NAVIGATION PEN PLAN FOR HOURLY EMPLOYEE	B Three-digit plan number ▶ 013
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-EZ. L-3 COMMUNICATIONS CORPORATION	D Employer Identification Number 13-3937436
E Type of plan: (1) Multiemployer (2) ☒ Single-employer (3) Multiple-employer	F 100 or fewer participants in prior plan year

Part I Basic Information (To be completed by all plans)

1a Enter the actuarial valuation date: Month 01 Day 01 Year 2010

b Assets:

(1) Current value of assets	b(1)	4006013
(2) Actuarial value of assets for funding standard account	b(2)	4632343
c (1) Accrued liability for plans using immediate gain methods	c(1)	4561169
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	c(2)(a)	
(b) Accrued liability under entry age normal method	c(2)(b)	
(c) Normal cost under entry age normal method	c(2)(c)	

Statement by Enrolled Actuary (see instructions before signing):

To the best of my knowledge, the information supplied in this schedule and on the accompanying schedules, statements, and attachments, if any, is complete and accurate, and in my opinion each assumption, used in combination, represents my best estimate of anticipated experience under the plan. Furthermore, in the case of a plan other than a multiemployer plan, each assumption used (a) is reasonable (taking into account the experience of the plan and reasonable expectations) or (b) would, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption were reasonable; in the case of a multiemployer plan, the assumptions used, in the aggregate, are reasonable (taking into account the experience of the plan and reasonable expectations).

SIGN

HERE AIDA DOMLIJA

Signature of actuary

AIDA DOMLIJA, FSA, MAAA

Type or print name of actuary

SIBSON CONSULTING

Firm name

333 W 34TH STREET

NEW YORK

NY 10001-2402

Address of the firm

7/18/2011

Date

G 11-06955

Most recent enrollment number

212-251-5000

Telephone number (including area code)

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

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

v10.1

Schedule B (Form 5500) 2007

0 8 0 7 3 5 0 1 0 0



1d Information on current liabilities of the plan:

(1) Amount excluded from current liability attributable to pre-participation service (see instructions) ..	d(1)	0
(2) "RPA '94" information:		
(a) Current liability	d(2)(a)	5120039
(b) Expected increase in current liability due to benefits accruing during the plan year	d(2)(b)	118011
(c) Current liability computed at highest allowable interest rate (see instructions)	d(2)(c)	5120039
(d) Expected release from "RPA '94" current liability for the plan year	d(2)(d)	
(3) Expected plan disbursements for the plan year	d(3)	277864

2 Operational information as of beginning of this plan year:

a Current value of the assets (see instructions)		2a	3988807	
b	"RPA '94" current liability:	(1) No. of Persons	(2) Vested Benefits	(3) Total Benefits
	(1) For retired participants and beneficiaries receiving payments	20	2031081	2031081
	(2) For terminated vested participants	17	418173	418173
	(3) For active participants	45	1964948	2670785
	(4) Total	82	4414202	5120039
c If the percentage resulting from dividing line 2a by line 2b(4), column (3) is less than 70%, enter such percentage				
		2c	%	

3 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Month-Day-Year	(b) Amount paid by employer	(c) Amount paid by employees	(a) Month-Day-Year	(b) Amount paid by employer	(c) Amount paid by employees
04/15/2010	144000				
12/30/2010	697214				
03/15/2011	93000				
3 Totals ▶ (b)				934214	(c)
					0

4 Quarterly contributions and liquidity shortfall(s):

a Plans other than multiemployer plans, enter funded current liability percentage for preceding year (see instructions)	4a	82.7%
--	-----------	-------

b If line 4a is less than 100%, see instructions, and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

0 8 0 7 3 5 0 2 0 P



5 Actuarial cost method used as the basis for this plan year's funding standard account computation:

- a** ☐ Attained age normal **b** ☐ Entry age normal **c** ☒ Accrued benefit (unit credit)
- d** ☐ Aggregate **e** ☐ Frozen initial liability **f** ☐ Individual level premium
- g** ☐ Individual aggregate **h** ☐ Other (specify) ▶ _____

i Has a change been made in funding method for this plan year? ☐ Yes ☒ No

j If line i is "Yes," was the change made pursuant to Revenue Procedure 2000-40? ☐ Yes ☐ No

k If line i is "Yes," and line j is "No" enter the date of the ruling letter (individual or

class) approving the change in funding method Month Day Year

6 Checklist of certain actuarial assumptions:

a Interest rates for "RPA '94" current liability	6a	6.76 %	☐ N/A								
b Weighted average retirement age	6b	61	☐ N/A								
c Rates specified in insurance or annuity contracts ... ☒ N/A	6c	<table border="1"> <tr> <th colspan="2">Pre-retirement</th> <th colspan="2">Post-retirement</th> </tr> <tr> <td>Yes</td> <td>No</td> <td>Yes</td> <td>No</td> </tr> </table>	Pre-retirement		Post-retirement		Yes	No	Yes	No	☒ N/A
Pre-retirement		Post-retirement									
Yes	No	Yes	No								
d Mortality table code for valuation purposes:											
(1) Males	d(1)	A	A								
(2) Females	d(2)	A	A								
e Valuation liability interest rate	6e	7.50 %	7.50 % ☐ N/A								
f Expense loading	6f	199.6 %	% ☒ N/A								
g Annual withdrawal rates:											
(1) Age 25	g(1)	U 9.90 %	U 14.90 %								
(2) Age 40	g(2)	U 3.20 %	U 4.85 %								
(3) Age 55	g(3)	U 0.00 %	U 0.00 %								
h Salary scale	6h	%	% ☒ N/A								
i Estimated investment return on actuarial value of assets for year ending on the valuation date	6i	16.4 %									
j Estimated investment return on current value of assets for year ending on the valuation date . .	6j	20.7 %									

7 New amortization bases established in the current plan year:

(1) Type of Base	(2) Initial Balance	(3) Amortization Charge/Credit
1	-328257	-75473

8 Miscellaneous information:

- a** If a waiver of a funding deficiency or an extension of an amortization period has been approved for this plan year, enter the date of the ruling letter granting the approval Month Day Year

0 8 0 7 3 5 0 3 0 0



8b If one or more alternative methods or rules (as listed in the instructions) were used for this plan year, enter the appropriate code in accordance with the instructions ▶

c Is the plan required to provide a Schedule of Active Participant Data? (see instructions) If "Yes," attach schedule ☒ Yes ☐ No

9 Funding standard account statement for this plan year:			
Charges to funding standard account:			
a Prior year funding deficiency, if any			9a 0
b Employer's normal cost for plan year as of valuation date			9b 300213
c Amortization charges as of valuation date:	Outstanding Balance		
(1) All bases except funding waivers ▶ (\$ 975174)		c(1)	270842
(2) Funding waivers ▶ (\$ 0)		c(2)	0
d Interest as applicable on lines 9a, 9b, and 9c		9d	42829
e Additional interest charge due to late quarterly contributions, if applicable		9e	0
f Adjusted additional funding charge from Part II, line 12q, if applicable ☐ N/A		9f	0
g Total charges. Add lines 9a through 9f		9g	613884
Credits to funding standard account:			
h Prior year credit balance, if any		9h	288000
i Employer contributions. Total from column (b) of line 3		9i	934214
	Outstanding Balance		
j Amortization credits as of valuation date ▶ (\$ 687174)		9j	127814
k Interest as applicable to end of plan year on lines 9h, 9i, and 9j		9k	39022
l Full funding limitation (FFL) and credits			
(1) ERISA FFL (accrued liability FFL)	l(1)	1229121	
(2) "RPA '94" override (90% current liability FFL)	l(2)	296871	
(3) FFL credit		l(3)	0
m (1) Waived funding deficiency		m(1)	0
(2) Other credits		m(2)	0
n Total credits. Add lines 9h through 9k, 9l(3), 9m(1), and 9m(2)		9n	1389050
o Credit balance: If line 9n is greater than line 9g, enter the difference		9o	775166
p Funding deficiency: If line 9g is greater than line 9n, enter the difference		9p	
Reconciliation account:			
q Current year's accumulated reconciliation account:			
(1) Due to additional funding charges as of the beginning of the plan year	q(1)	0	
(2) Due to additional interest charges as of the beginning of the plan year	q(2)	0	
(3) Due to waived funding deficiencies:			
(a) Reconciliation outstanding balance as of valuation date	q(3)(a)	0	
(b) Reconciliation amount. Line 9c(2) balance minus line 9q(3)(a)	q(3)(b)	0	
(4) Total as of valuation date ▶	q(4)	0	
10 Contribution necessary to avoid an accumulated funding deficiency. Enter the amount in line 9p or the amount required under the alternative funding standard account if applicable		10	0

11 Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions ☐ Yes ☒ No

0 8 0 7 3 5 0 4 0 R



Part II Additional Information for Certain Plans Other Than Multiemployer PlansPlease see **Who Must File** in the Schedule B instructions to determine if you must complete Part II.**12** Additional required funding charge (see instructions):**a** Enter "Gateway %." Divide line 1b(2) by line 1d(2)(c) and multiply by 100.

If line 12a is at least 90%, go to line 12q and enter -0-.

If line 12a is less than 80%, go to line 12b.

If line 12a is at least 80% (but less than 90%), see instructions and, if applicable, go to line 12q

and enter -0-. Otherwise, go to line 12b

12a 90.5%

b "RPA '94" current liability. Enter line 1d(2)(a)

12b

c Adjusted value of assets (see instructions)

12c

d Funded current liability percentage. Divide line 12c by 12b and multiply by 100

12d %

e Unfunded current liability. Subtract line 12c from line 12b

12e

f Liability attributable to any unpredictable contingent event benefit

12f

g Outstanding balance of unfunded old liability

12g

h Unfunded new liability. Subtract the total of lines 12f and 12g from line 12e. Enter -0- if negative

12h

i Unfunded new liability amount (% of line 12h)

12i

j Unfunded old liability amount

12j

k Deficit reduction contribution. Add lines 12i, 12j and 1d(2)(b)

12k

l Net charges in funding standard account used to offset the deficit reduction contribution. Enter

a negative number if less than zero

12l

m Unpredictable contingent event amount:**(1)** Benefits paid during year attributable to unpredictable contingent event

m(1)

(2) Unfunded current liability percentage. Subtract the percentage on line 12d from 100%

m(2)

%

(3) Enter the product of lines 12m(1) and 12m(2)

m(3)

(4) Ammortization of all unpredictable contingent event liabilities

m(4)

(5) "RPA '94" additional amount (see instructions)

m(5)

(6) Enter the greatest of lines 12m(3), 12m(4), or 12m(5)

m(6)

n Preliminary additional funding charge: Enter the excess of line 12k over line 12l (if any), plus line 12m(6), adjusted to end of year with interest

12n

o Contributions needed to increase current liability percentage to 100% (see instructions)

12o

p Additional funding charge prior to adjustment: Enter the lesser of line 12n or 12o

12p

q Adjusted additional funding charge. (

.0% of line 12p)

12q

0

0 8 0 7 3 5 0 5 0 S



Attachment to 2010 Schedule B of Form 5500
Schedule B, Line 6 - Statement of Actuarial Assumptions/Methods
L-3 Space and Navigation Pension Plan for Hourly Employees
EIN 13-3937436 PN 013

ACTUARIAL ASSUMPTIONS AND ACTUARIAL COST METHOD

Net investment return:

7.50%

Interest rate for determination of current liability and maximum deductible contribution:

Current Liability:

6.76% (previously, 6.69%)

Effective in 2008, as mandated by the Pension Protection Act of 2006 for eligible contractor plans, this is based on the third segment rate used to determine funding requirements for noncontractor plans.

Maximum Deductible Contribution:

As mandated by the Pension Protection Act of 2006, the interest rates used are the September 2009 segmented rates. The effective interest rate is 6.68%. This market-based assumption is mandated by law. (Prior year's rates were the October 2008 full spot yield curve.)

Section 415 Limit:

\$195,000

Mortality rates:

Healthy:

RP-2000 Combined Healthy Mortality Table (sex distinct)

Disabled:

RP-2000 Disabled Retiree Mortality Table (sex distinct)

Current Liability and Maximum:

RP-2000 separate annuitant and non-annuitant tables with static projection. This assumption is one of the choices allowed by the regulations. (Prior year current liability assumptions was the same, but based on one less year of projection).

Attachment to 2010 Schedule B of Form 5500
Schedule B, Line 6 - Statement of Actuarial Assumptions/Methods
L-3 Space and Navigation Pension Plan for Hourly Employees
EIN 13-3937436 PN 013

Termination rates before retirement:

Age	Male	Female
20	9.90%	14.90%
25	9.90	14.90
30	7.35	10.90
35	4.80	6.90
40	3.20	4.85
45	1.60	2.80
50	0.80	1.40
55	0.00	0.00
60	0.00	0.00

Turnover rates cut out at first eligibility for retirement.

Disability rates:

Age	Male	Female
20	0.09%	0.05%
25	0.09	0.05
30	0.12	0.09
35	0.15	0.13
40	0.24	0.22
45	0.33	0.30
50	0.64	0.53
55	0.94	0.76
60	1.36	0.93

Attachment to 2010 Schedule B of Form 5500
Schedule B, Line 6 - Statement of Actuarial Assumptions/Methods
L-3 Space and Navigation Pension Plan for Hourly Employees
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Retirement rates:

Age	Rate
55 – 59	5% per year
60 – 61	15% per year
62 – 64	50% per year
65	100%

Average retirement age for Schedule B, line 6b: 61

Retirement age for terminated vesteds: 65

Layoff Assumption: Participants on layoff status are not considered terminated until recall rights expire.

Form of benefit: Retirees are assumed to elect a life annuity.

Percent married: 70% for male participants and 55% for female participants, with males 3 years older

Administrative expense load: \$200,000

Actuarial value of assets: The prior year's actuarial value of assets plus:

- 1) Net new money = contributions minus benefit payments minus administrative expenses
- 2) Expected investment return (measured on the basis of actuarial value)
- 3) 25% of each of the previous four years' gain/(loss) due to actual investment return greater/(less) than expected, where "actual" return is measured on a market value basis and "expected" return on an actuarial value basis

The actuarial value of assets is limited to not less than 80% nor greater than 120% of market value.

For the maximum deductible contribution, the rules under the Pension Protection Act apply, based on the plan sponsor's election of an allowable asset averaging method.

Attachment to 2010 Schedule B of Form 5500
Schedule B, Line 6 - Statement of Actuarial Assumptions/Methods
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The actuarial value of assets is an average of the market value of assets as of the valuation date and the adjusted market value of assets as of the preceding two years. The adjusted assets reflect expected earnings (subject to a statutory cap) and actual cash flow. The resulting value is limited to between 90% and 110% of the market value of assets.

Actuarial cost method:

Unit Credit Actuarial Cost Method

This cost method develops the annual cost or expense of the Plan in two parts: that attributable to service accruing in the current year, known as the normal or service cost; and that due to service earned prior to the current year, known as the actuarial accrued or past service liability. Each of these components is calculated individually for each active employee.

The normal cost is the present value of the portion of projected benefits that is attributable to service accrued in the current year. The unfunded actuarial liability reflects the difference between the portion of projected benefits attributable to service credited prior to the valuation date and assets already accumulated. The unfunded actuarial liability is paid off in accordance with a specified amortization procedure.

Under the unit credit cost method, if actual plan experience is close to the assumptions, the normal cost will increase each year for each employee as he or she approaches retirement age. The total contribution is made up of the sum of the individual normal costs and the amortization payment on the unfunded actuarial liability.

Attachment to 2010 Schedule B of Form 5500
Schedule B, Line 6 – Summary of Plan Provisions
L-3 Space and Navigation Pension Plan for Hourly Employees
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SUMMARY OF PLAN PROVISIONS

This subsection summarizes the major provisions of the plan as included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

Plan status:		Closed to new hires effective April 1, 2007. Employees hired prior to April 1, 2007 will receive ongoing accruals.
Normal retirement:		
<i>Age requirement:</i>	65	
<i>Service requirement:</i>	5	
<i>Amount:</i>	For retirements during the period shown below:	<u>Amount</u>
	April 1, 2007 through March 31, 2008	\$38 per month per year of credited service
	April 1, 2008 through March 31, 2009	\$39 per month per year of credited service
	April 1, 2009 through March 31, 2010	\$40 per month per year of credited service
	April 1, 2010 and thereafter	\$41 per month per year of credited service
Early retirement:		
<i>Eligibility (any of the following):</i>		a) Age 60 and 10 years of eligibility service
		b) Age 55 and 85 points (points are the sum of age and credited service)
		c) Attainment of 30 years of credited service
<i>Amount:</i>	For retirement under (a) or (b) above for the period shown below:	<u>Amount</u>
	April 1, 2007 through March 31, 2008	\$38 per month per year of credited service
	April 1, 2008 through March 31, 2009	\$39 per month per year of credited service
	April 1, 2009 through March 31, 2010	\$40 per month per year of credited service
	April 1, 2010 and thereafter	\$41 per month per year of credited service

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multiplied by the following factor:

Benefit commencement age	Percentage	Benefit commencement age	Percentage
47	30.4%	55	57.9%
48	32.8	56	63.5
49	35.4	57	69.4
50	38.3	58	75.2
51	41.5	59	80.8
52	45.0	60	86.7
53	48.9	61	93.3
54	53.2	62	100.0

For retirement under (c) above: same as (a) or (b) except benefit increased to unreduced amount upon attainment of age 62.

Supplemental allowance:

Payable until age 62 or age when 80% of the Social Security Benefit would be payable for those born between 1938 and 1942 (inclusive) to participants retiring with early retirement or disability pension.

- For participant retiring under “30 and out” provision, the amount payable is an amount such that the total benefit paid is \$2,700 per month.
- For participants retiring early but *not* under “30 and out” provision, the amount payable is based on the following:

<u>Attained age at retirement</u>	<u>Additional benefit per year of credited service</u>
55	\$18.70 per month
56	22.00
57	26.70
58	31.30
59	34.95
60	38.25
61	38.25

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- c) For participants retiring with a disability pension, a “Temporary Benefit” of \$45.00 per month per year of credited service (up to 30 years). The “Temporary Benefit” is only payable if participant is not eligible for Social Security Disability Benefits.

Special Medicare Part B Reimbursement Benefit:

This benefit is payable to participants retiring from active service with a retirement or disability pension, and to surviving spouses of such participants, as well as to surviving spouses of employees who die in active service.

The benefit commences upon attainment of age 65, or receipt by the Board of proof of enrollment in Medicare Part B, whichever is later.

\$60.00 for months commencing on or after February 1, 2003. In no event shall the benefit paid for a month exceed the generally applicable Medicare Part B premium for that month.

Deferred Retirement:

Additional accruals to actual retirement date.

Disability Benefit:

Service requirement:

10 years of vesting service

Amount

For disability retirements during the period shown below:

<u>Period</u>	<u>Amount</u>
April 1, 2007 through March 31, 2008	\$38 per month per year of credited service
April 1, 2008 through March 31, 2009	\$39 per month per year of credited service
April 1, 2009 through March 31, 2010	\$40 per month per year of credited service
April 1, 2010 and thereafter	\$41 per month per year of credited service
In addition, a Supplemental Allowance is payable until age 62 only if participant is not eligible to receive Social Security Disability Benefits (see previous page).	

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Withdrawal Benefit:

Service requirement:

5 years of vesting service (none for participants hired prior to January 1, 2000)

Amount

Accrued benefit payable at age 65.

Participant may also elect to commence payment any time after attainment of age 60, or any time after attainment of age 55 with 85 points (points measured using credited service), subject to a benefit reduction of 5/9 of 1% for each of the first 60 months by which the commencement date precedes age 65, plus 5/18 of 1% for each such month in excess of 60.

If the actuarial equivalent lump sum amount of a deferred vested benefit is under \$5,000, this sum will be paid automatically.

Death benefits:

For deaths occurring in service, after attainment of eligibility to retire: an amount payable for the life of the surviving spouse equal to 60% of the benefit that would have been payable had the employee retired on the date of his death and elected the Survivorship Option.

Survivorship Option: Benefit otherwise payable to employees is reduced by 5%, with an additional reduction of 0.5% for each year in excess of 5 years up to 10 years by which the spouse's age is less than the employee's, and with an offsetting increase of 0.5% for each year in excess of 5 by which the spouse's age exceeds the employee's. Upon employee's death, spouse receives life income of 60% of benefit which was or would have been payable to employee when he was 65.

Payment Forms:

Normal Form:

Life annuity; married participants receive an actuarially reduced 60% joint and survivor annuity.

Optional Form:

75% joint and survivor annuity – The form is actuarially equivalent to life annuity. Actuarial equivalence is based on 9% interest rate and the 1971 Group Annuity Mortality Table for male lives.

Lump sum Benefits:

Benefits with a present value less than \$5,000 are automatically cashed out. An optional lump sum payment is available if the present value of the benefit is less than \$10,000.

Attachment to 2010 Schedule B of Form 5500
Schedule B, Line 6 – Summary of Plan Provisions
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Participation:	Employees who are members of UAW Local Union No. 153
<i>Age requirement:</i>	None
<i>Service requirement:</i>	One year of service in which at least 1,000 hours worked.
<i>Eligibility requirement:</i>	Only Employees hired before 4/1/2007 are eligible to participate.
Credited service:	One year for each calendar year of employment in which at least 1,700 hours worked. Ratable accrual (rounded to nearest twelfth of a year) given for calendar years in which under 1,700 hours worked.
Vesting (Eligibility) Service:	Full year given for each calendar year in which at least 1,000 hours worked; otherwise no credit given. If eligibility service is less than credited service at retirement or termination, it shall be deemed equal to credited service. Participants hired prior to January 1, 2000 are fully vested as of that date.
Amendment No. 1:	The plan provides a 75% joint and survivor annuity as an optional form of benefit effective January 1, 2007.
Amendment No. 2:	As of April 1, 2007, no new employees are eligible to participate in the plan. Also, effective with retirements beginning on April 1, 2007, the monthly benefit amount payable is increased from \$37 to \$38. On April 1, 2008, the monthly benefit amount payable is increased from \$38 to \$39. On April 1, 2009, the monthly benefit amount payable is increased from \$39 to \$40. On April 1, 2010, the monthly benefit amount payable is increased from \$40 to \$41.
Amendment Nos. 3 & 4:	These pertain to plan provisions that do not impact the valuation, effective January 1, 2007.

Attachment to 2010 Schedule B of Form 5500
Schedule B, line 6b – Description of Weighted Average Retirement Age
L-3 Space and Navigation Pension Plan for Hourly Employees
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<u>Age</u>	<u>Rate</u>	<u>Probability of Retiring</u>	<u>Age x Probability</u>
55	5.00%	5.00%	2.75
56	5.00%	4.75%	2.66
57	5.00%	4.51%	2.57
58	5.00%	4.29%	2.49
59	5.00%	4.07%	2.40
60	15.00%	11.61%	6.96
61	15.00%	9.87%	6.02
62	50.00%	27.95%	17.33
63	50.00%	13.98%	8.81
64	50.00%	6.99%	4.47
65	100.00%	6.99%	4.54
			61.00

Attachment to 2010 Schedule B of Form 5500
Schedule B, Line 8c - Schedule of Active Participant Data
L-3 Space and Navigation Pension Plan for Hourly Employees
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Age	Years of Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	--	2	--	--	--	--	--	--	--	--
25 - 29	--	1	--	--	--	--	--	--	--	--
30 - 34	--	1	--	1	--	--	--	--	--	--
35 - 39	--	1	--	1	--	--	--	--	--	--
40 - 44	--	3	--	--	1	--	--	--	--	--
45 - 49	--	1	--	--	1	5	1	--	--	--
50 - 54	--	--	--	1	2	3	3	--	--	--
55 - 59	--	1	--	1	1	7	--	--	--	--
60 - 64	--	--	--	1	--	3	--	--	--	--
65 - 69	--	1	--	--	--	2	--	--	--	--
70 & over	--	--	--	--	--	--	--	--	--	--
Total	--	11	--	5	5	20	4	--	--	--

Attachment to 2010 Schedule B of Form 5500
Schedule B, Line 9c - Schedule of Funding Standard Account Charge Bases
L-3 Space and Navigation Pension Plan for Hourly Employees
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FUNDING STANDARD ACCOUNT AMORTIZATION CHARGE BASES

Type of Base	Date Established	Original Base	Outstanding Balance	Years Remaining	Amortization Amount
Actuarial loss	01/01/2009	\$1,177,981	<u>\$975,174</u>	4	<u>\$270,842</u>
Total:			\$975,174		\$270,842

Attachment to 2010 Schedule B of Form 5500
Schedule B, Line 9j - Schedule of Funding Standard Account Credit Bases
L-3 Space and Navigation Pension Plan for Hourly Employees
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FUNDING STANDARD ACCOUNT AMORTIZATION CREDIT BASES

Type of Base	Date Established	Original Base	Outstanding Balance	Years Remaining	Amortization Amount
Change in assumptions	01/01/2009	\$386,217	\$358,917	9	\$52,341
Actuarial gain*	01/01/2010	328,257	<u>328,257</u>	5	<u>75,473</u>
Total:			\$687,174		\$127,814

* Base is not equal to actual gain due to overfunding.