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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><div style="text-align: center; font-size: 1.5em; font-weight: bold;">2010</div><br><br><b>This Form is Open to Public Inspection</b> |
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| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                           |
| For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u> |                                                                                                                                                                                                                                           |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____                         |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months). |
| <b>C</b> If the plan is a collectively-bargained plan, check here. . . . .                               | <input checked="" type="checkbox"/>                                                                                                                                                                                                       |
| <b>D</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                 |

|                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                                             | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                         |                                                                     |                                                             |                                                             |  |
| <b>1a</b> Name of plan<br><u>ITT ELECTRONIC SYSTEMS PENSION PLAN FOR EMPLOYEES IN THE BARGAINING UNIT</u>                                                                                                                                  | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>004</u></td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan<br/><u>12/01/1955</u></td> </tr> </table>                        | <b>1b</b> Three-digit plan number (PN) ▶                            | <u>004</u>                                                  | <b>1c</b> Effective date of plan<br><u>12/01/1955</u>       |  |
| <b>1b</b> Three-digit plan number (PN) ▶                                                                                                                                                                                                   | <u>004</u>                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                             |                                                             |  |
| <b>1c</b> Effective date of plan<br><u>12/01/1955</u>                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2a</b> Plan sponsor's name and address (employer, if for a single-employer plan)<br>(Address should include room or suite no.)<br><br><u>ITT CORPORATION</u><br><br><br><u>1133 WESTCHESTER AVENUE</u><br><u>WHITE PLAINS, NY 10604</u> | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>2b</b> Employer Identification Number (EIN)<br/><u>13-5158950</u></td> </tr> <tr> <td><b>2c</b> Sponsor's telephone number<br/><u>914-641-2000</u></td> </tr> <tr> <td><b>2d</b> Business code (see instructions)<br/><u>333200</u></td> </tr> </table> | <b>2b</b> Employer Identification Number (EIN)<br><u>13-5158950</u> | <b>2c</b> Sponsor's telephone number<br><u>914-641-2000</u> | <b>2d</b> Business code (see instructions)<br><u>333200</u> |  |
| <b>2b</b> Employer Identification Number (EIN)<br><u>13-5158950</u>                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2c</b> Sponsor's telephone number<br><u>914-641-2000</u>                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2d</b> Business code (see instructions)<br><u>333200</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.

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/15/2011 | CAROLINE HUNT                                                |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | 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

|                                                                                                                                                                                                                              |                                                                                                               |
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| <b>3a</b> Plan administrator's name and address (if same as plan sponsor, enter "Same")<br>ITT AEROSPACE/COMMUNICATIONS DIVISION<br><br>PO BOX 3700, 1919 WEST COOK ROAD<br>1919 WEST COOK ROAD<br>FORT WAYNE, IN 46801-3700 | <b>3b</b> Administrator's EIN<br>13-5158950<br><br><b>3c</b> Administrator's telephone number<br>219-487-6225 |
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|                                                                                                                                                                                                                       |                                   |
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| <b>4</b> 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:<br><br><b>a</b> Sponsor's name | <b>4b</b> EIN<br><br><b>4c</b> PN |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|

|                                                                                                                                                        |           |      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------|
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                | <b>5</b>  | 1108 |
| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ). |           |      |
| <b>a</b> Active participants.....                                                                                                                      | <b>6a</b> | 616  |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                     | <b>6b</b> | 259  |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                      | <b>6c</b> | 223  |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                               | <b>6d</b> | 1098 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                              | <b>6e</b> | 23   |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                | <b>6f</b> | 1121 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....         | <b>6g</b> |      |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....             | <b>6h</b> | 27   |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                   | <b>7</b>  |      |

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

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

|                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> 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)

|                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
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| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2010</b><br><br><b>This Form is Open to Public Inspection</b> |
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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.

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>ITT ELECTRONIC SYSTEMS PENSION PLAN FOR EMPLOYEES IN THE BARGAINING UNIT</u>                                  | <b>B</b> Three-digit plan number (PN) ▶ <u>004</u>                                                                                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>ITT CORPORATION</u>                                        | <b>D</b> Employer Identification Number (EIN)<br><u>13-5158950</u>                                                                                      |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |

|                                                                                                                                                                                                       |                                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <b>Part I</b>                                                                                                                                                                                         | <b>Basic Information</b>                                    |
| <b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>                                                                                                                     |                                                             |
| <b>2</b> Assets:                                                                                                                                                                                      |                                                             |
| <b>a</b> Market value .....                                                                                                                                                                           | <b>2a</b> <u>24353101</u>                                   |
| <b>b</b> Actuarial value .....                                                                                                                                                                        | <b>2b</b> <u>25495484</u>                                   |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                   |                                                             |
|                                                                                                                                                                                                       | <b>(1) Number of participants</b> <b>(2) Funding Target</b> |
| <b>a</b> For retired participants and beneficiaries receiving payment .....                                                                                                                           | <b>3a</b> <u>221</u> <u>8600148</u>                         |
| <b>b</b> For terminated vested participants .....                                                                                                                                                     | <b>3b</b> <u>231</u> <u>2519271</u>                         |
| <b>c</b> For active participants:                                                                                                                                                                     |                                                             |
| <b>(1)</b> Non-vested benefits .....                                                                                                                                                                  | <b>3c(1)</b> <u>1555501</u>                                 |
| <b>(2)</b> Vested benefits .....                                                                                                                                                                      | <b>3c(2)</b> <u>18053408</u>                                |
| <b>(3)</b> Total active .....                                                                                                                                                                         | <b>3c(3)</b> <u>656</u> <u>19608909</u>                     |
| <b>d</b> Total .....                                                                                                                                                                                  | <b>3d</b> <u>1108</u> <u>30728328</u>                       |
| <b>4</b> If the plan is at-risk, check the box and complete items (a) and (b) .....                                                                                                                   | <input type="checkbox"/>                                    |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                             | <b>4a</b>                                                   |
| <b>b</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 ..... | <b>4b</b>                                                   |
| <b>5</b> Effective interest rate .....                                                                                                                                                                | <b>5</b> <u>6.71</u> %                                      |
| <b>6</b> Target normal cost .....                                                                                                                                                                     | <b>6</b> <u>1268426</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.

|                                                          |                                        |
|----------------------------------------------------------|----------------------------------------|
| <b>SIGN HERE</b>                                         | <u>07/28/2011</u>                      |
| Signature of actuary                                     | Date                                   |
| <u>BARBARA H. VAUGHAN</u>                                | <u>11-04686</u>                        |
| Type or print name of actuary                            | Most recent enrollment number          |
| <u>BUCK CONSULTANTS, LLC</u>                             | <u>201-902-2300</u>                    |
| Firm name                                                | Telephone number (including area code) |
| <u>500 PLAZA DRIVE</u><br><u>SECAUCUS, NJ 07096-1533</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**

| <b>Part II</b>                                                                                           | <b>Beginning of year carryover and prefunding balances</b> |                               |  |
|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------|-------------------------------|--|
|                                                                                                          | <b>(a) Carryover balance</b>                               | <b>(b) Prefunding balance</b> |  |
| <b>7</b> Balance at beginning of prior year after applicable adjustments (Item 13 from prior year) ..... | 229786                                                     | 256317                        |  |
| <b>8</b> Portion used to offset prior year's funding requirement (Item 35 from prior year) .....         | 0                                                          | 0                             |  |
| <b>9</b> Amount remaining (Item 7 minus item 8).....                                                     | 229786                                                     | 256317                        |  |
| <b>10</b> Interest on item 9 using prior year's actual return of <u>26.40</u> % .....                    | 60664                                                      | 67668                         |  |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                           |                                                            |                               |  |
| <b>a</b> Excess contributions (Item 38 from prior year) .....                                            |                                                            | 65396                         |  |
| <b>b</b> Interest on (a) using prior year's effective rate of <u>8.10</u> % .....                        |                                                            | 5297                          |  |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....            |                                                            | 70693                         |  |
| <b>d</b> Portion of (c) to be added to prefunding balance.....                                           |                                                            | 30339                         |  |
| <b>12</b> Reduction in balances due to elections or deemed elections.....                                | 0                                                          | 0                             |  |
| <b>13</b> Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....              | 290450                                                     | 354324                        |  |

| <b>Part III</b>                                                                                                                                                           | <b>Funding percentages</b> |       |   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-------|---|
| <b>14</b> Funding target attainment percentage.....                                                                                                                       | <b>14</b>                  | 80.87 | % |
| <b>15</b> Adjusted funding target attainment percentage.....                                                                                                              | <b>15</b>                  | 80.87 | % |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement..... | <b>16</b>                  | 85.02 | % |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....                                        | <b>17</b>                  |       | % |

| <b>Part IV</b>                                                                           | <b>Contributions and liquidity shortfalls</b> |                                 |                          |                                   |                                 |                |
|------------------------------------------------------------------------------------------|-----------------------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|----------------|
| <b>18</b> Contributions made to the plan for the plan year by employer(s) and employees: |                                               |                                 |                          |                                   |                                 |                |
| (a) Date<br>(MM-DD-YYYY)                                                                 | (b) Amount paid by<br>employer(s)             | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |                |
| 07/15/2010                                                                               | 363589                                        |                                 |                          |                                   |                                 |                |
| 10/15/2010                                                                               | 60915                                         |                                 |                          |                                   |                                 |                |
| 01/14/2011                                                                               | 364000                                        |                                 |                          |                                   |                                 |                |
| 07/05/2011                                                                               | 4066000                                       |                                 |                          |                                   |                                 |                |
|                                                                                          |                                               |                                 |                          |                                   |                                 |                |
|                                                                                          |                                               |                                 |                          |                                   |                                 |                |
|                                                                                          |                                               |                                 | <b>Totals ▶</b>          | <b>18(b)</b>                      | 4854504                         | <b>18(c)</b> 0 |

|                                                                                                                                      |                                                                     |           |
|--------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-----------|
| <b>19</b> Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: |                                                                     |           |
| <b>a</b> Contributions allocated toward unpaid minimum required contribution from prior years.....                                   | <b>19a</b>                                                          | 0         |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                                   | <b>19b</b>                                                          | 0         |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....               | <b>19c</b>                                                          | 4436339   |
| <b>20</b> Quarterly contributions and liquidity shortfalls:                                                                          |                                                                     |           |
| <b>a</b> Did the plan have a "funding shortfall" for the prior year? .....                                                           | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |           |
| <b>b</b> If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? .....                   | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |           |
| <b>c</b> 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   |
| 0                                                                                                                                    | 0                                                                   | 0         |
|                                                                                                                                      |                                                                     | (4) 4th 0 |

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

|                                                                                                                                                                                              |                        |                        |                        |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                        |                        |                        |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>5.03 % | 2nd segment:<br>6.73 % | 3rd segment:<br>6.82 % | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code) .....                                                                                                                                                 |                        |                        |                        | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                        |                        |                        | <b>22</b> 63                                        |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                        |                        |                        |                                                     |

**Part VI Miscellaneous items**

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

**Part VII Reconciliation of unpaid minimum required contributions for prior years**

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

**Part VIII Minimum required contribution for current year**

|                                                                                                                                                                                      |                     |                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|
| <b>31</b> Target normal cost, adjusted, if applicable (see instructions).....                                                                                                        | <b>31</b>           | 1268426            |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance | Installment        |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 4648485             | 830977             |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   | 0                  |
| <b>33</b> 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 ..... | <b>33</b>           | 0                  |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....                                                   | <b>34</b>           | 2099403            |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance |
| <b>35</b> Balances used to offset funding requirement .....                                                                                                                          | 290450              | 354324             |
| <b>36</b> Additional cash requirement (item 34 minus item 35).....                                                                                                                   | <b>36</b>           | 1454629            |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....                                                   | <b>37</b>           | 4436339            |
| <b>38</b> Interest-adjusted excess contributions for current year (see instructions).....                                                                                            | <b>38</b>           | 2981710            |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....                                                                       | <b>39</b>           | 0                  |
| <b>40</b> Unpaid minimum required contribution for all years .....                                                                                                                   | <b>40</b>           | 0                  |

|                                                                                                                                                                                              |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------|--|
| <div>SCHEDULE D</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security Administration</div> |  | <div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> |  | <div>OMB No. 1210-0110</div> <div>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<br>ITT ELECTRONIC SYSTEMS PENSION PLAN FOR EMPLOYEES IN THE BARGAINING UNIT                                                                                                   |  |                                                                                                                                                                                                                                   |  | B Three-digit plan number (PN) ▶ 004                                                                  |  |
| C Plan or DFE sponsor's name as shown on line 2a of Form 5500<br>ITT CORPORATION                                                                                                             |  |                                                                                                                                                                                                                                   |  | D Employer Identification Number (EIN)<br>13-5158950                                                  |  |
| Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)<br>(Complete as many entries as needed to report all interests in DFEs)             |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE: INVESTMENT MASTER TRUST OF ITT CORP                                                                                                                  |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a): ITT CORPORATION                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN 36-6668234-300                                                                                                                                                                      |  | d Entity code M                                                                                                                                                                                                                   |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 26814351 |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)          |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                                      |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                       |  |
| c EIN-PN                                                                                                                                                                                     |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 1                                                    |  |

**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

|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                      |                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | <b>Financial Information</b><br>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).<br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                             |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                      | <b>2010</b>                                   |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                      | <b>This Form is Open to Public Inspection</b> |

|                                                                                                          |                                                                    |            |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| For calendar plan year 2010 or fiscal plan year beginning <b>01/01/2010</b> and ending <b>12/31/2010</b> |                                                                    |            |
| <b>A</b> Name of plan<br><b>ITT ELECTRONIC SYSTEMS PENSION PLAN FOR EMPLOYEES IN THE BARGAINING UNIT</b> | <b>B</b> Three-digit plan number (PN) ▶                            | <b>004</b> |
|                                                                                                          |                                                                    |            |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>ITT CORPORATION</b>                  | <b>D</b> Employer Identification Number (EIN)<br><b>13-5158950</b> |            |

|               |                                      |
|---------------|--------------------------------------|
| <b>Part I</b> | <b>Asset and Liability Statement</b> |
|---------------|--------------------------------------|

**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 |
|----------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>a</b> Total noninterest-bearing cash .....                                                      | <b>1a</b>       |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                       |                 |                       |                 |
| <b>(1)</b> Employer contributions .....                                                            | <b>1b(1)</b>    | 0                     | 4430000         |
| <b>(2)</b> Participant contributions .....                                                         | <b>1b(2)</b>    |                       |                 |
| <b>(3)</b> Other .....                                                                             | <b>1b(3)</b>    |                       |                 |
| <b>c</b> General investments:                                                                      |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....   | <b>1c(1)</b>    |                       |                 |
| <b>(2)</b> U.S. Government securities .....                                                        | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                            |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                         | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other .....                                                                         | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                      |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                         | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common .....                                                                            | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                               | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property) .....                                   | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                                | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans .....                                                                 | <b>1c(8)</b>    |                       |                 |
| <b>(9)</b> Value of interest in common/collective trusts .....                                     | <b>1c(9)</b>    |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                    | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                            | <b>1c(11)</b>   | 24353101              | 26814351        |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                  | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....        | <b>1c(13)</b>   |                       |                 |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts) ..... | <b>1c(14)</b>   |                       |                 |
| <b>(15)</b> Other .....                                                                            | <b>1c(15)</b>   |                       |                 |

**1d** Employer-related investments:

|                                                                      |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 24353101              | 31244351        |

**Liabilities**

|                                                                           |           |       |       |
|---------------------------------------------------------------------------|-----------|-------|-------|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |       |       |
| <b>h</b> Operating payables .....                                         | <b>1h</b> | 52393 | 54102 |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |       |       |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |       |       |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 52393 | 54102 |

**Net Assets**

|                                                           |           |          |          |
|-----------------------------------------------------------|-----------|----------|----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 24300708 | 31190249 |
|-----------------------------------------------------------|-----------|----------|----------|

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

**Income****a Contributions:**

|                                                                                                            |                 | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 4854504    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> |            |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> |            |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 4854504   |

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

|                                                                                                      |                 |  |   |
|------------------------------------------------------------------------------------------------------|-----------------|--|---|
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) ..... | <b>2b(1)(A)</b> |  |   |
| <b>(B)</b> U.S. Government securities .....                                                          | <b>2b(1)(B)</b> |  |   |
| <b>(C)</b> Corporate debt instruments .....                                                          | <b>2b(1)(C)</b> |  |   |
| <b>(D)</b> Loans (other than to participants) .....                                                  | <b>2b(1)(D)</b> |  |   |
| <b>(E)</b> Participant loans .....                                                                   | <b>2b(1)(E)</b> |  |   |
| <b>(F)</b> Other .....                                                                               | <b>2b(1)(F)</b> |  |   |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                        | <b>2b(1)(G)</b> |  | 0 |

|                                                                                           |                 |  |   |
|-------------------------------------------------------------------------------------------|-----------------|--|---|
| (2) Dividends: <b>(A)</b> Preferred stock .....                                           | <b>2b(2)(A)</b> |  |   |
| <b>(B)</b> Common stock .....                                                             | <b>2b(2)(B)</b> |  |   |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                 | <b>2b(2)(C)</b> |  |   |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> ..... | <b>2b(2)(D)</b> |  | 0 |

|                 |              |  |  |
|-----------------|--------------|--|--|
| (3) Rents ..... | <b>2b(3)</b> |  |  |
|-----------------|--------------|--|--|

|                                                                                           |                 |  |   |
|-------------------------------------------------------------------------------------------|-----------------|--|---|
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                | <b>2b(4)(A)</b> |  |   |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                             | <b>2b(4)(B)</b> |  |   |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result ..... | <b>2b(4)(C)</b> |  | 0 |

|                                                                                                   |                 | (a) Amount | (b) Total |
|---------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>2b</b> (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....              | <b>2b(5)(A)</b> |            |           |
| (B) Other .....                                                                                   | <b>2b(5)(B)</b> |            |           |
| (C) Total unrealized appreciation of assets.<br>Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....    | <b>2b(5)(C)</b> |            | 0         |
| (6) Net investment gain (loss) from common/collective trusts .....                                | <b>2b(6)</b>    |            |           |
| (7) Net investment gain (loss) from pooled separate accounts .....                                | <b>2b(7)</b>    |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                        | <b>2b(8)</b>    |            | 3108309   |
| (9) Net investment gain (loss) from 103-12 investment entities .....                              | <b>2b(9)</b>    |            |           |
| (10) Net investment gain (loss) from registered investment<br>companies (e.g., mutual funds)..... | <b>2b(10)</b>   |            |           |
| <b>c</b> Other income.....                                                                        | <b>2c</b>       |            |           |
| <b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....           | <b>2d</b>       |            | 7962813   |

**Expenses**

|                                                                                            |              |         |         |
|--------------------------------------------------------------------------------------------|--------------|---------|---------|
| <b>e</b> Benefit payment and payments to provide benefits:                                 |              |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers .....            | <b>2e(1)</b> | 1073272 |         |
| (2) To insurance carriers for the provision of benefits .....                              | <b>2e(2)</b> |         |         |
| (3) Other .....                                                                            | <b>2e(3)</b> |         |         |
| (4) Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....                | <b>2e(4)</b> |         | 1073272 |
| <b>f</b> Corrective distributions (see instructions) .....                                 | <b>2f</b>    |         |         |
| <b>g</b> Certain deemed distributions of participant loans (see instructions).....         | <b>2g</b>    |         |         |
| <b>h</b> Interest expense.....                                                             | <b>2h</b>    |         |         |
| <b>i</b> Administrative expenses: (1) Professional fees .....                              | <b>2i(1)</b> |         |         |
| (2) Contract administrator fees .....                                                      | <b>2i(2)</b> |         |         |
| (3) Investment advisory and management fees .....                                          | <b>2i(3)</b> |         |         |
| (4) Other .....                                                                            | <b>2i(4)</b> |         |         |
| (5) Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....         | <b>2i(5)</b> |         | 0       |
| <b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | <b>2j</b>    |         | 1073272 |

**Net Income and Reconciliation**

|                                                                               |              |  |         |
|-------------------------------------------------------------------------------|--------------|--|---------|
| <b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> ..... | <b>2k</b>    |  | 6889541 |
| <b>l</b> Transfers of assets:                                                 |              |  |         |
| (1) To this plan.....                                                         | <b>2l(1)</b> |  |         |
| (2) From this plan .....                                                      | <b>2l(2)</b> |  |         |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

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

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

(1) Name: DELOITTE & TOUCHE LLP

(2) EIN: 13-3891517

**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   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----------|
| <b>a</b> 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>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)..... |     | X  |          |
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                                                                                                            |     | X  |          |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....                                                                                                                  |     | X  |          |
| <b>e</b> Was this plan covered by a fidelity bond?.....                                                                                                                                                                                                                                                         | X   |    | 15000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                                                                                         |     | X  |          |
| <b>g</b> 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  |          |
| <b>h</b> 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  |          |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....                                                                                                                                                   |     | X  |          |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....                                                                                    |     | X  |          |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....                                                                                                                                              |     | X  |          |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                                                                                              |     | X  |          |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....                                                                                                                                                                                     |     | X  |          |
| <b>n</b> 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<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>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<br>ITT ELECTRONIC SYSTEMS PENSION PLAN FOR EMPLOYEES IN THE BARGAINING UNIT                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                 | B Three-digit plan number (PN) ►<br>004                                                         |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>ITT CORPORATION                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                 | D Employer Identification Number (EIN)<br>13-5158950                                            |
| 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):<br><br>EIN(s): 13-5158950                                                                                                             |                                                                                                                                                                                                                                                                                                 |                                                                                                 |
| 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)?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 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? ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> 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?..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 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..... <input checked="" type="checkbox"/> Increase <input type="checkbox"/> Decrease <input type="checkbox"/> Both <input type="checkbox"/> 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?..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                 |                                                                                                 |
| 11 a Does the ESOP hold any preferred stock? ..... <input type="checkbox"/> Yes <input type="checkbox"/> 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.) ..... <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                   |                                                                                                                                                                                                                                                                                                 |                                                                                                 |
| 12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... <input type="checkbox"/> Yes <input type="checkbox"/> 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)

(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:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 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:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</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 ..... | <b>16b</b> |  |

- 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: 81% Investment-Grade Debt: 0% High-Yield Debt: 18% Real Estate: 0% Other: 1%

- 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):

ITT Electronic Systems Pension Plan for  
Employees in the Bargaining Unit (Formerly  
the ITT Aerospace/Communications  
Division Pension Plan for Employees in the  
Bargaining Unit Represented by Local 999,  
IUE, AFL-CIO)

Sponsor EIN # 13-5158950  
Plan # 004

Financial Statements as of and for the  
Years Ended December 31, 2010 and 2009  
and Independent Auditors' Report

**ITT Electronic Systems Pension Plan for Employees in the Bargaining Unit  
(formerly the ITT Aerospace/Communications Division Pension Plan for  
Employees in the Bargaining Unit Represented by Local 999, IUE, AFL-CIO)**

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## INDEPENDENT AUDITORS' REPORT

To the Trustees and Participants of  
the ITT Electronic Systems Pension Plan for Employees in the Bargaining Unit  
(formerly the ITT Aerospace/Communications Division Pension Plan for  
Employees in the Bargaining Unit Represented by Local 999, IUE, AFL-CIO):

We have audited the accompanying statements of net assets available for benefits of the ITT Electronic Systems Pension Plan for Employees in the Bargaining Unit (formerly the ITT Aerospace/Communications Division Pension Plan for Employees in the Bargaining Unit Represented by Local 999, IUE, AFL-CIO), (the "Plan") as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of December 31, 2010, and changes therein for the year then ended and its financial status as of December 31, 2009, and changes therein for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Notes 3 and 6 to the financial statements, the Plan holds a proportionate share of a Master Trust which includes investments valued at \$2.0 billion (44.4% of total assets) and \$1.9 billion (44.2% of total assets) as of December 31, 2010 and 2009, respectively, whose fair values have been estimated by management in the absence of readily determinable fair values. Management's estimates are based on their financial analysis of the investment, including information provided by the investment manager.

*Deloitte & Touche LLP*

July 15, 2011

**ITT ELECTRONIC SYSTEMS PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT (FORMERLY THE ITT AEROSPACE/COMMUNICATIONS  
DIVISION PENSION PLAN FOR EMPLOYEES IN THE BARGAINING UNIT  
REPRESENTED BY LOCAL 999, IUE, AFL-CIO)**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
AS OF DECEMBER 31, 2010 AND 2009**

---

|                                                                                                  | <b>2010</b>                | <b>2009</b>                |
|--------------------------------------------------------------------------------------------------|----------------------------|----------------------------|
| <b>ASSETS:</b>                                                                                   |                            |                            |
| Investment, at fair value — Plan's interest in the<br>Investment Master Trust of ITT Corporation | \$26,814,351               | \$24,353,101               |
| Employer contribution receivable                                                                 | <u>4,430,000</u>           | <u></u>                    |
| Total assets                                                                                     | 31,244,351                 | 24,353,101                 |
| <b>LIABILITIES:</b>                                                                              |                            |                            |
| Accrued administrative expenses                                                                  | <u>54,102</u>              | <u>52,393</u>              |
| <b>NET ASSETS AVAILABLE FOR BENEFITS</b>                                                         | <u><u>\$31,190,249</u></u> | <u><u>\$24,300,708</u></u> |

**ITT ELECTRONIC SYSTEMS PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT (FORMERLY THE ITT AEROSPACE/COMMUNICATIONS  
DIVISION PENSION PLAN FOR EMPLOYEES IN THE BARGAINING UNIT  
REPRESENTED BY LOCAL 999, IUE, AFL-CIO)**

**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS  
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009**

---

|                                                                                        | 2010         | 2009         |
|----------------------------------------------------------------------------------------|--------------|--------------|
| ADDITIONS:                                                                             |              |              |
| Net appreciation:                                                                      |              |              |
| Plan's interest in the Investment Master Trust of<br>ITT Corporation investment income | \$ 3,372,575 | \$ 4,861,275 |
| Employer contributions                                                                 | 4,854,504    | 1,639,000    |
| DEDUCTIONS:                                                                            |              |              |
| Benefits paid to participants                                                          | 1,073,272    | 993,622      |
| Administrative expenses                                                                | 264,266      | 184,731      |
| Total deductions                                                                       | 1,337,538    | 1,178,353    |
| NET INCREASE                                                                           | 6,889,541    | 5,321,922    |
| NET ASSETS AVAILABLE FOR BENEFITS:                                                     |              |              |
| Beginning of year                                                                      | 24,300,708   | 18,978,786   |
| End of year                                                                            | \$31,190,249 | \$24,300,708 |

# ITT ELECTRONIC SYSTEMS PENSION PLAN FOR EMPLOYEES IN THE BARGAINING UNIT (FORMERLY THE ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO)

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

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### 1. DESCRIPTION OF THE PLAN

The following description of ITT Electronic Systems Pension Plan for Employees in the Bargaining Unit (formerly the ITT Aerospace/Communications Division Pension Plan for Employees in the Bargaining Unit Represented by Local 999, IUE, AFL-CIO ), (the “Plan”), is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

**General** — The Plan is a defined benefit pension plan covering substantially all employees of ITT Aerospace/Communications Division, a division of ITT Corporation (the “Company” or “Plan Sponsor”) who are represented by Local 999, IUE, AFL-CIO. Effective August 28, 2010, the name of the Union was changed to IUE, the Industrial Division of the Communication Workers of America, AFL-CIO Local 84999 and an amendment was made to change the name of the Plan to the ITT Electronics Systems Pension Plan for Employees in the Bargaining Unit.

All such employees are eligible to participate as of their date of employment. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Under a trust agreement dated July 1, 1977, The Northern Trust Company (the “Trustee” or “Northern Trust”) serves as the Trustee of the Plan and administers the Plan’s investment assets. The Plan’s assets consist of an undivided interest in an investment account of the Investment Master Trust of ITT Corporation (the “Master Trust”), EIN 36-6668234, a master trust established by the Company and administered by the Trustee. The Master Trust includes the combined assets of the Plan as well as several other employee benefit plans of the Company and its subsidiaries. A schedule of Master Trust assets has been filed with the U.S. Department of Labor and includes the Plan’s proportionate share of such assets at December 31, 2010 and 2009.

Use of the Master Trust permits the commingling of trust assets with the assets of certain other Company pension plans for investment and administrative purposes. Although assets of the Plan are commingled in the Master Trust, the Trustee maintains supporting records for the purpose of allocating the net gain (loss) of the investment account to the participating plans. The net investment income (loss) of the investment assets is allocated by the Trustee to each participating plan based on the relationship of the interest of each plan to the total of the interests of the participating plans.

**Pension Benefits** — Participants are eligible for monthly benefit payments upon reaching age 65. The normal monthly benefit payments are determined by multiplying the benefit rate, which depends upon the participant’s date of termination, by the total number of years of credited service, not to exceed 42 years. A participant is 100% vested after five years of service. Prior to that time, the participant is not vested.

Employees are eligible to receive early retirement benefits between the ages of 55 and 65 upon the completion of 10 years of continuous service. Early retirement eligibility is age 55 and 10 years of continuous service.

**Death and Disability Benefits** — A married employee who is a vested participant is automatically covered by the pre-retirement death benefit option, which will provide a benefit for the surviving spouse upon death prior to retirement, unless coverage is waived. The benefit would be equal to the benefit the spouse would have received had the employee retired on the date of death, computed under the normal form of payment and subject to certain limitations.

An employee, who is age 40, with 10 years of credited service and who becomes totally and permanently disabled is eligible to receive a disability retirement benefit. The amount of the benefit is computed as it would be for normal retirement based on the employee's years of credited service as of the date of disability, but not less than \$340 per month.

**Contributions** — Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan annually not less than the minimum required by applicable law and regulations.

**Plan Amendments** — Effective January 1, 2010 the Plan was amended to reflect certain provisions of the Heroes Earnings Assistance and Relief Tax Act of 2008 (the "HEART Act") and the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA).

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** — The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

**Use of Estimates, Risks and Uncertainties** — The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes therein. Actual results could differ from these estimates. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Further, the Plan's valuation methods may produce a fair value estimate that may not be indicative of net realizable value or reflective of future fair values. While the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to estimate fair value could result in a different measure of fair value at the measurement date which could materially affect the amounts reported in the financial statements.

**Income Recognition** — 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.

**Valuation of Investments (Master Trust Fund)** — The Plan's interest in the Investment Master Trust of ITT Corporation, a master trust established by the Company and administered by the Trustee, is presented at fair value, which has been determined based on the fair value of the underlying investments of the Master Trust.

**Administrative Expenses** — Administrative expenses of the Plan are paid by the Master Trust on behalf of the Plan, as provided in the Plan document and the Master Trust agreement. The Plan Sponsor provides accounting and other administrative services to the Plan and Master Trust at no charge.

**Payment of Benefits** — Benefit payments to participants are recorded upon distribution.

**Recent Accounting Standards** — In May 2011, the Financial Accounting Standards Board ("FASB") issued guidance intended to achieve common fair value measurements and related disclosures between U.S. GAAP and international accounting standards. The amendments primarily clarify existing fair value guidance and therefore the amendments are not intended to change the application of existing fair value measurement guidance. However, the amendments include certain instances where a particular principle or requirement for measuring fair value or disclosing information about fair value measurements has changed. This guidance is effective for the periods beginning after December 15, 2011 and early application is prohibited. The requirements are not expected to have a material effect on the Plan's fair value measurements.

### 3. FAIR VALUE MEASUREMENTS (IN THOUSANDS)

The Plan's investments are measured at fair value. 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 (i.e., an exit price).

In measuring Plan assets at fair value, a fair value hierarchy is applied which categorizes and prioritizes the inputs used to estimate fair value into three levels. The fair value hierarchy is based on maximizing the use of observable inputs and minimizing the use of unobservable inputs when measuring fair value. Classification within the fair value hierarchy is based on the lowest level input that is significant to the fair value measurement. The three levels of the fair value hierarchy are defined as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices (in non-active markets or in active markets for similar assets or liabilities), inputs other than quoted prices that are observable, and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 inputs are unobservable inputs for the assets or liabilities.

In certain instances, fair value is estimated using quoted market prices obtained from an external pricing service. In obtaining such data from the pricing service, the Plan has evaluated the methodologies used to develop the estimate of fair value in order to evaluate whether such valuations are representative of fair value, including net asset value ("NAV"). Additionally, in certain circumstances, the Plan may adjust NAV reported by an asset manager when sufficient evidence indicates NAV is not representative of fair value.

In September 2009, the FASB provided investors with a practical expedient for measuring the fair value of investments in certain entities that calculate NAV. The Plan adopted this guidance for the year ended December 31, 2010; however, application of the practical expedient did not have a material effect on the Plan's fair value measurements.

The following is a description of the valuation methodologies used for the Master Trust and inputs used to measure fair value for major categories of investments in the Master Trust.

- *Equity Securities* — Equities (including common and preferred shares, domestic listed and foreign listed, closed end mutual funds and exchange traded funds) are generally valued at the closing price reported on the major market on which the individual securities are traded at the measurement date. As all equity securities held by the Master Trust are publicly traded in active markets, the securities are classified within Level 1 of the fair value hierarchy.

- *Open ended mutual funds, common collective trusts (“CCTs”) and commingled funds* — Open ended mutual funds, collective trusts and commingled funds are measured at NAV. These funds are generally classified within Level 2 of the fair value hierarchy.
- *Private Equity* — The valuation of limited partnership interests in private equity funds may require significant management judgment. The NAV reported by the asset manager is adjusted when management determines that NAV is not representative of fair value. In making such an assessment, a variety of factors are reviewed by management, including, but not limited to, the timeliness of NAV as reported by the asset manager and changes in general economic and market conditions subsequent to the last NAV reported by the asset manager. These funds are generally classified within Level 3 of the fair value hierarchy.
- *Absolute Return (Hedge Funds)* — The valuation of limited partnership interests in hedge funds may require significant management judgment. The NAV reported by the asset manager is adjusted when management determines that NAV is not representative of fair value. In making such an assessment, a variety of factors are reviewed by management, including, but not limited to, the timeliness of NAV as reported by the asset manager and changes in general economic and market conditions subsequent to the last NAV reported by the asset manager. Depending on how quickly the Master Trust can redeem these investments and the extent of any adjustments to NAV, hedge funds are classified within either Level 2 (redeemable within 90 days) or Level 3 (redeemable beyond 90 days) of the fair value hierarchy.
- *Fixed Income* — U.S. government securities are generally valued using quoted prices of securities with similar characteristics. Corporate bonds and notes are generally valued by using pricing models (e.g. discounted cash flows), quoted prices of securities with similar characteristics or broker quotes. Fixed income securities are generally classified in Level 2 of the fair value hierarchy.

The following table sets forth by level within the fair value hierarchy a summary of the Master Trust's investments measured at fair value on a recurring basis at December 31, 2010 and 2009:

| Asset category                  | Fair Value Measurements at December 31, 2010                            |                                                        |                                                    | Total               |
|---------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------|---------------------|
|                                 | Quoted Prices in<br>Active Markets for<br>Identical Assets<br>(Level 1) | Significant Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |                     |
| Equities securities:            |                                                                         |                                                        |                                                    |                     |
| Domestic                        | \$ 815,347                                                              | \$ 162,109                                             | \$ 102,463                                         | \$ 1,079,919        |
| Developed markets               | 248,229                                                                 |                                                        | 118,140                                            | 366,369             |
| Emerging markets                | 193,796                                                                 | 229,532                                                | 38,327                                             | 461,655             |
| ITT stock                       | 54,325                                                                  |                                                        |                                                    | 54,325              |
| Subtotal — equity securities    | <u>1,311,697</u>                                                        | <u>391,641</u>                                         | <u>258,930</u>                                     | <u>1,962,268</u>    |
| Private equity:                 |                                                                         |                                                        |                                                    |                     |
| Buyout funds                    |                                                                         | 162,559                                                | 854,393                                            | 1,016,952           |
| Distressed funds                |                                                                         |                                                        | 233,513                                            | 233,513             |
| Venture/growth equity funds     |                                                                         |                                                        | 47,497                                             | 47,497              |
| Mezzanine                       |                                                                         |                                                        | 34,914                                             | 34,914              |
| Subtotal — private equity       | <u>-</u>                                                                | <u>162,559</u>                                         | <u>1,170,317</u>                                   | <u>1,332,876</u>    |
| Absolute returns (hedge funds): |                                                                         |                                                        |                                                    |                     |
| Fund of funds                   |                                                                         | 30,602                                                 | 244,676                                            | 275,278             |
| Fixed income mulit/strat        |                                                                         | 171,385                                                | 202,486                                            | 373,871             |
| Equity long/short               |                                                                         | 84,265                                                 | 50,336                                             | 134,601             |
| Macro                           |                                                                         | 12,404                                                 |                                                    | 12,404              |
| Subtotal — absolute return      | <u>-</u>                                                                | <u>298,656</u>                                         | <u>497,498</u>                                     | <u>796,154</u>      |
| Fixed income:                   |                                                                         |                                                        |                                                    |                     |
| Fixed income                    | <u>8,909</u>                                                            | <u>60,724</u>                                          |                                                    | <u>69,633</u>       |
| Subtotal — fixed income         | <u>8,909</u>                                                            | <u>60,724</u>                                          | <u>-</u>                                           | <u>69,633</u>       |
| Other:                          |                                                                         |                                                        |                                                    |                     |
| Commodities                     |                                                                         | 210,860                                                | 35,114                                             | 245,974             |
| Cash and other, net             | <u>905</u>                                                              | <u>71,822</u>                                          | <u>26,926</u>                                      | <u>99,653</u>       |
| Subtotal — other                | <u>905</u>                                                              | <u>282,682</u>                                         | <u>62,040</u>                                      | <u>345,627</u>      |
| Total                           | <u>\$ 1,321,511</u>                                                     | <u>\$ 1,196,262</u>                                    | <u>\$ 1,988,785</u>                                | <u>\$ 4,506,558</u> |

| Fair Value Measurements at December 31, 2009          |                                                                         |                                                        |                                                    |                     |
|-------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------|----------------------------------------------------|---------------------|
| Asset category                                        | Quoted Prices in<br>Active Markets for<br>Identical Assets<br>(Level 1) | Significant Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Total               |
| Equities securities:                                  |                                                                         |                                                        |                                                    |                     |
| Domestic                                              | \$ 774,292                                                              | \$ 149,103                                             | \$ 81,948                                          | \$ 1,005,343        |
| Developed markets                                     | 208,356                                                                 | 6,167                                                  | 97,995                                             | 312,518             |
| Emerging markets                                      | 157,885                                                                 | 221,632                                                | 29,843                                             | 409,360             |
| ITT stock                                             | <u>51,827</u>                                                           |                                                        |                                                    | <u>51,827</u>       |
| Subtotal — equity securities                          | <u>1,192,360</u>                                                        | <u>376,902</u>                                         | <u>209,786</u>                                     | <u>1,779,048</u>    |
| Private equity:                                       |                                                                         |                                                        |                                                    |                     |
| Buyout funds                                          |                                                                         | 1,440                                                  | 907,813                                            | 909,253             |
| Distressed funds                                      |                                                                         |                                                        | 182,018                                            | 182,018             |
| Venture/growth equity funds                           |                                                                         |                                                        | 34,870                                             | 34,870              |
| Mezzanine                                             |                                                                         |                                                        | <u>29,600</u>                                      | <u>29,600</u>       |
| Subtotal — private equity                             | <u>-</u>                                                                | <u>1,440</u>                                           | <u>1,154,301</u>                                   | <u>1,155,741</u>    |
| Absolute returns (hedge funds):                       |                                                                         |                                                        |                                                    |                     |
| Fund of funds                                         |                                                                         | 29,113                                                 | 275,217                                            | 304,330             |
| Fixed income mulit/strat                              |                                                                         | 154,013                                                | 182,056                                            | 336,069             |
| Equity long/short                                     |                                                                         | 83,665                                                 | 42,346                                             | 126,011             |
| Macro                                                 |                                                                         | <u>39,725</u>                                          |                                                    | <u>39,725</u>       |
| Subtotal — absolute return                            | <u>-</u>                                                                | <u>306,516</u>                                         | <u>499,619</u>                                     | <u>806,135</u>      |
| Fixed income:                                         |                                                                         |                                                        |                                                    |                     |
| Fixed income                                          | <u>13,621</u>                                                           | <u>155,238</u>                                         |                                                    | <u>168,859</u>      |
| Subtotal — fixed income                               | <u>13,621</u>                                                           | <u>155,238</u>                                         | <u>-</u>                                           | <u>168,859</u>      |
| Other:                                                |                                                                         |                                                        |                                                    |                     |
| Commodities                                           |                                                                         | 160,790                                                | 27,548                                             | 188,338             |
| Cash and other, net                                   | <u>113,141</u>                                                          | <u>(10,192)</u>                                        | <u>14,659</u>                                      | <u>117,608</u>      |
| Subtotal — other                                      | <u>113,141</u>                                                          | <u>150,598</u>                                         | <u>42,207</u>                                      | <u>305,946</u>      |
| Collateral held under securities<br>lending agreement |                                                                         | <u>94,110</u>                                          |                                                    | <u>94,110</u>       |
| Subtotal — collateral                                 | <u>-</u>                                                                | <u>94,110</u>                                          | <u>-</u>                                           | <u>94,110</u>       |
| Total                                                 | <u>\$ 1,319,122</u>                                                     | <u>\$ 1,084,804</u>                                    | <u>\$ 1,905,913</u>                                | <u>\$ 4,309,839</u> |

The following table presents a reconciliation of the beginning and ending balances of the fair value measurements using significant unobservable inputs (Level 3) for the years ended December 31, 2010 and 2009:

|                                                                                      | <b>Equity<br/>Securities</b> | <b>Private<br/>Equity</b> | <b>Absolute<br/>Returns</b> | <b>Other</b>      | <b>Total</b>        |
|--------------------------------------------------------------------------------------|------------------------------|---------------------------|-----------------------------|-------------------|---------------------|
| Beginning balance — January 1, 2010                                                  | \$209,786                    | \$ 1,154,301              | \$499,619                   | \$ 42,207         | \$ 1,905,913        |
| Relating to assets sold during the period<br>(realized gains and losses)             | 44,640                       | 45,823                    | 33,000                      | 1,911             | 125,374             |
| Relating to assets still held at the reporting<br>date (unrealized gains and losses) |                              | 90,418                    | 8,656                       | 361               | 99,435              |
| Purchases, sales, issuance, and<br>settlements, net                                  | 4,504                        | 11,001                    | (43,777)                    | 17,561            | (10,711)            |
| Transfers in/or out of Level 3 (a)                                                   | <u>          </u>            | <u>(131,226)</u>          | <u>          </u>           | <u>          </u> | <u>(131,226)</u>    |
| Ending balance — December 31, 2010                                                   | <u>\$258,930</u>             | <u>\$ 1,170,317</u>       | <u>\$497,498</u>            | <u>\$ 62,040</u>  | <u>\$ 1,988,785</u> |

- (a) As of December 31, 2010, it was probable that certain funds would be redeemed at a value other than NAV due to pending sales in the secondary market. As a result, the funds were measured based on evidence of the price a market participant would pay in an orderly transaction. As there were no significant unobservable inputs in determining fair value, these funds were reclassified from Level 3 to Level 2.

|                                                                                         | <b>Equity<br/>Securities</b> | <b>Private<br/>Equity</b> | <b>Absolute<br/>Returns</b> | <b>Fixed<br/>Income</b> | <b>Other</b>     | <b>Total</b>        |
|-----------------------------------------------------------------------------------------|------------------------------|---------------------------|-----------------------------|-------------------------|------------------|---------------------|
| Beginning balance —<br>January 1, 2009                                                  | \$ 288,266                   | \$ 952,379                | \$ 827,762                  | \$ 41,715               | \$127,888        | \$ 2,238,010        |
| Relating to assets sold<br>during the period (realized<br>gains and losses)             | (254)                        | 27,039                    | 2,618                       |                         | 1,308            | 30,711              |
| Relating to assets still held<br>at the reporting date<br>(unrealized gains and losses) | 73,809                       | 87,095                    | 89,305                      |                         | 973              | 251,182             |
| Purchases, sales, issuance,<br>and settlements, net                                     | 5,357                        | 87,792                    | (192,483)                   |                         | 5,355            | (93,979)            |
| Transfers in/or out of Level 3                                                          | <u>(157,392)</u>             | <u>(4)</u>                | <u>(227,583)</u>            | <u>(41,715)</u>         | <u>(93,317)</u>  | <u>(520,011)</u>    |
| Ending balance —<br>December 31, 2009                                                   | <u>\$ 209,786</u>            | <u>\$ 1,154,301</u>       | <u>\$ 499,619</u>           | <u>\$ -</u>             | <u>\$ 42,207</u> | <u>\$ 1,905,913</u> |

The following table presents information regarding the nature and risks of the investments, including unfunded commitments and redemption restrictions for investments that do not have readily determinable fair value and have the attributes of an investment company as of December 31, 2010:

|                                 | Fair value         | Unfunded<br>Commitments | Redemption Frequency<br>(if eligible) | Redemption<br>Notice Period |
|---------------------------------|--------------------|-------------------------|---------------------------------------|-----------------------------|
| Equity securities:              |                    |                         |                                       |                             |
| Domestic                        | \$ 264,572         | \$ -                    | daily                                 | N/A                         |
| Developed markets               | 118,140            |                         | daily                                 | N/A                         |
| Emerging markets                | <u>267,859</u>     | <u>          </u>       | daily                                 | N/A                         |
| Subtotal — equity securities    | <u>650,571</u>     | <u>-</u>                |                                       |                             |
| Private equity:                 |                    |                         |                                       |                             |
| Buyout funds (a)                | 1,016,952          | 374,271                 | N/A                                   | (j) None                    |
| Distressed funds (b)            | 233,513            | 125,627                 | N/A                                   | (j) None                    |
| Venture/growth equity funds (c) | 47,497             | 52,185                  | N/A                                   | (j) None                    |
| Mezzanine funds (d)             | <u>34,914</u>      | <u>42,791</u>           | N/A                                   | (j) None                    |
| Subtotal — private equity       | <u>1,332,876</u>   | <u>594,874</u>          |                                       |                             |
| Absolute return (hedge funds):  |                    |                         |                                       |                             |
| Fund of funds (e)               | 275,278            |                         | Weekly, quarterly                     | Four to 60 days (i)         |
| Fixed Income/multi-strat (f)    | 373,871            |                         | Quarterly                             | 30 to 91 days (i)           |
| Equity long/short (g)           | 134,601            |                         | Daily, monthly                        | 30 to 60 days (i)           |
| Macro (h)                       | <u>12,404</u>      | <u>          </u>       | Daily, monthly                        | Three to 30 days (i)        |
| Subtotal — absolute return      | <u>796,154</u>     | <u>-</u>                |                                       |                             |
| Fixed income:                   |                    |                         |                                       |                             |
| Fixed income                    | <u>60,724</u>      | <u>          </u>       | Daily                                 | N/A                         |
| Subtotal — fixed income         | <u>60,724</u>      | <u>-</u>                |                                       |                             |
| Other:                          |                    |                         |                                       |                             |
| Commodities                     | 245,974            |                         | Monthly, quarterly, annually          | 30 to 90 days               |
| Cash and other, net             | <u>98,748</u>      | <u>          </u>       | Daily                                 | N/A                         |
| Subtotal — other                | <u>344,722</u>     | <u>-</u>                |                                       |                             |
| Total                           | <u>\$3,185,047</u> | <u>\$594,874</u>        |                                       |                             |

- (a) Private equity buyout funds are partnership investment vehicles that take a controlling interest primarily in private companies with the intent of developing them for future sale at a higher price to a strategic or financial buyer or through an initial public offering. These investments include \$498,543 where ownership of the partnership interest is directly held and \$416,573 invested through funds of private equity funds. The nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the fund. These partnership vehicles are expected to be liquidated over the next three to 12 years.

- (b) Private equity distressed funds are partnership investment vehicles that purchase debt or preferred equity instruments of companies that are distressed, near bankrupt or bankrupt. The nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the fund. These partnership vehicles are expected to be liquidated over the next seven to nine years.
- (c) Venture and growth private equity funds are partnership investment vehicles that provide seed or growth capital to start-ups and early stage companies, usually in high growth industries, such as information and clean technology, health care and biotechnology. The nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the fund. These partnership vehicles are expected to be liquidated over the next seven to nine years.
- (d) Mezzanine private equity funds provide mezzanine loans to companies that need capital but do not want to sell or dilute their equity interests. Mezzanine loans are subordinated debt or preferred equity securities that represent a claim on the borrower's assets which is senior to the common equity but subordinate to senior secured and unsecured debt. The nature of the investments in this category is that distributions are received through the liquidation of the underlying assets of the fund. These partnership vehicles are expected to be liquidated over the next 10 to 12 years.
- (e) Absolute return fund of funds include partnership investment vehicles that invest in a diversified portfolio of other hedge funds that employ a range of investment strategies.
- (f) Fixed income/multi-strat absolute return funds are partnership investment vehicles that invest in multiple investment strategies, such as macro, equity long/short, convertible arbitrage and event driven, often with the intent to diversify risk and reduce volatility.
- (g) Equity long/short absolute return funds include partnership investment vehicles that can purchase both long and short positions of publicly traded equities. Management of the fund has the ability to shift investments from value to growth strategies, from small to large capitalization companies, and from a net long position to a net short position.
- (h) Macro absolute return funds include partnership investment vehicles that make investments predicated on the managers views, either fundamentally or quantitatively derived, on different global factors, such as asset allocation (e.g., stocks vs. bonds) interest rates, currency, sovereign risk and commodities over a span of different time frames.
- (i) Redemption restrictions vary by investment management agreement but are based on the initial investment date and take into account summary of liquidity terms, notice period, redemption schedule, withdrawal with or without penalties and the firm's redemption schedule.
- (j) Private equity assets are "redeemed" via a secondary sale market where a broker is contracted to bid out the assets in question.

#### **4. FUNDING POLICY**

Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan not less than the minimum required by applicable law and regulations.

The Pension Protection Act contains funding requirements for defined benefit pension plans. The Pension Protection Act establishes a 100% funding target over seven years for plan years beginning after December 31, 2007. No shortfall amortization payments are required if the pension plan meets the following targets: 94% funded in 2009; and 96% funded in 2010. The WRERA was passed in December

2008. WRERA provides (i) the shortfall amortization charge will be based on the transition percentages (94% in 2009, 96% in 2010 and 100% thereafter) as opposed to the original Pension Act language of 100% of funding target, (ii) clarification that the averaging method used to value assets is to be adjusted for expected earnings which results in “asset smoothing”, and (iii) relief from the restriction on benefit accruals in 2009, by allowing a plan sponsor to use the greater of the Adjusted Funding Target Attainment Percentage from January 1, 2008 and January 1, 2009.

Interest, dividends and cumulative net appreciation of investments of the Plan serve to reduce future contributions that would otherwise be required to provide for the defined level of benefits under the Plan document. The Company’s contributions are adjusted to reflect differences between actual contributions in prior years and the amounts required under the Company’s current funding policy to meet the minimum funding requirements of ERISA. The Company met the minimum funding requirements for the years ended December 31, 2010 and 2009.

## 5. ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan’s provisions to service rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to: (1) retired or terminated employees, (2) beneficiaries of employees who have died and (3) present employees or their beneficiaries. The actuarial present value of accumulated plan benefits is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The following amounts were calculated as of the latest actuarial valuation date, which was January 1, 2010.

The actuarial present value of accumulated plan benefits as of January 1, 2010 and 2009 is as follows:

|                                                                        | 2010                 | 2009                 |
|------------------------------------------------------------------------|----------------------|----------------------|
| Vested accumulated plan benefits:                                      |                      |                      |
| Retired participants and/or beneficiaries currently receiving benefits | \$ 7,250,876         | \$ 7,604,411         |
| Other participants                                                     | <u>14,665,136</u>    | <u>12,786,390</u>    |
| Total vested accumulated plan benefits                                 | 21,916,012           | 20,390,801           |
| Nonvested accumulated plan benefits                                    | <u>964,799</u>       | <u>1,412,707</u>     |
| Total actuarial present value of accumulated plan benefits             | <u>\$ 22,880,811</u> | <u>\$ 21,803,508</u> |

The changes in the actuarial present value of the Plan’s accumulated plan benefits for the year ended January 1, 2010, are as follows:

|                                                                         |                      |
|-------------------------------------------------------------------------|----------------------|
| Actuarial present value of accumulated plan benefits at January 1, 2009 | \$ 21,803,508        |
| Increase (decrease) during the year attributable to:                    |                      |
| Benefits accumulated                                                    | 152,359              |
| Interest                                                                | 1,918,566            |
| Benefits paid                                                           | <u>(993,622)</u>     |
| Actuarial present value of accumulated plan benefits at January 1, 2010 | <u>\$ 22,880,811</u> |

The actuarial cost method used to measure the present value of accumulated plan benefits is the Unit Credit Method. The significant actuarial assumptions used in the January 1, 2010 and 2009 valuations were:

- Mortality: Mortality: UP-94 Mortality Table (scale AA projected 16 years) with special mortality table used for the period after disability in 2010 and 2009.
- Retirement age: Age 65.
- Investment return was 9.0% per annum for 2010 and 2009.
- Discount rate was 9.0% per annum for 2010 and 2009.

Actuarial assumptions for the period before normal retirement include factors for mortality, termination of employment, early retirement and disability.

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

## 6. INTEREST IN MASTER TRUST (IN THOUSANDS)

The net investments of the Master Trust at December 31, 2010 and 2009 are summarized as follows:

|                                                                        | 2010                        | 2009                |
|------------------------------------------------------------------------|-----------------------------|---------------------|
| Assets:                                                                |                             |                     |
| Investments:                                                           |                             |                     |
| Common and preferred stocks                                            | \$ 1,269,944                | \$ 1,031,490        |
| U.S. government securities                                             |                             | 44,123              |
| Corporate bonds and notes                                              | 938                         | 64,994              |
| Partnerships/joint ventures                                            | 1,628,882                   | 1,396,335           |
| Hedge funds                                                            | 796,154                     | 860,724             |
| Registered investment companies                                        | 240,052                     | 197,965             |
| Common collective trusts                                               | 516,291                     | 528,422             |
| Other                                                                  | 54,297                      | 91,676              |
|                                                                        | <u>4,506,558</u>            | <u>4,215,729</u>    |
| Total investments                                                      | 4,506,558                   | 4,215,729           |
| Collateral held under securities lending agreement                     | <u>                    </u> | <u>94,110</u>       |
| Total assets                                                           | <u>4,506,558</u>            | <u>4,309,839</u>    |
| Liabilities:                                                           |                             |                     |
| Liability to return collateral held under securities lending agreement | <u>                    </u> | <u>94,110</u>       |
| Total liabilities                                                      | <u>-</u>                    | <u>94,110</u>       |
| Net assets of the Master Trust                                         | <u>\$ 4,506,558</u>         | <u>\$ 4,215,729</u> |
| Plan's interest in net assets of the Master Trust                      | <u>\$ 26,814</u>            | <u>\$ 24,353</u>    |
| Plan's interest in Master Trust as a percentage of the total           | <u>0.59 %</u>               | <u>0.58 %</u>       |

Upon the Plan Sponsor's adoption of certain elements of FASB Accounting Standards Codification Topic 715 for the year ended December 31, 2010, the Company and the Trustee determined the optimal presentation for unsettled securities was to allocate these liabilities to the respective asset categories. There is no impact on net assets for 2010 or 2009.

The net investment income of the Master Trust for the years ended December 31, 2010 and 2009 is summarized below:

|                                                     | <b>2010</b>       | <b>2009</b>       |
|-----------------------------------------------------|-------------------|-------------------|
| Net appreciation (depreciation) investments:        |                   |                   |
| Common and preferred stocks                         | \$ 160,559        | \$ 262,039        |
| U.S. government securities                          | (5,341)           | 3,830             |
| Corporate bonds and notes                           | 815               | 9,942             |
| Partnerships/joint ventures                         | 216,091           | 32,431            |
| Hedge funds                                         | 52,599            | 127,584           |
| Registered investment companies                     | 40,024            | 89,808            |
| Common collective trusts                            | 94,211            | 138,877           |
| Other                                               | <u>35,355</u>     | <u>30,292</u>     |
| Net appreciation of investments                     | 594,313           | 694,803           |
| Interest income                                     | 7,321             | 22,098            |
| Dividend income                                     | 20,537            | 18,484            |
| Other income                                        | 27,679            | 19,806            |
| Administrative expenses                             | <u>(29,534)</u>   | <u>(28,897)</u>   |
| Net investment income of Master Trust               | <u>\$ 620,316</u> | <u>\$ 726,294</u> |
| Plan's interest in Master Trust's investment income | <u>\$ 3,373</u>   | <u>\$ 4,861</u>   |

The Master Trust's financial information as of and for the years ended December 31, 2010 and 2009, was derived from information prepared by Northern Trust and furnished to the plan administrator. The plan administrator has obtained a certification from the Trustee that such information is complete and accurate. Subsequent to the issuance of the 2009 financial statements, Plan management determined that other income was overstated by \$62,212 and administrative expenses were understated by \$12,673 in the above table related to the Master Trust only. Accordingly, the Company has adjusted other income from the previously reported amount of \$82,018 to \$19,806 and administrative expenses from \$16,224 to \$28,897. There was no impact on the Plan's interest in the Master Trust's investment income, or on the 2009 Statement of Net Assets Available for Benefits, or the 2009 Statement of Changes in Net Assets Available for Benefits, or any other amounts in the notes to the Plan's financial statements.

**Securities Lending Transactions** — The Master Trust participated in a securities lending program through the Trustee. Under this program, the Master Trust's investment securities were loaned to investment brokers for a fee. As of November 23, 2010 the Master Trust exited the securities lending program. Securities loaned were fully collateralized by cash which was invested in CCTs. As of December 31, 2009, \$93,183 of the Master Trust's securities were loaned through the Trustee's securities lending program. The value of the collateral received as a percentage of the total current value of the securities on loan by the Master Trust was approximately 101% for the year ended December 31, 2009. The fair value of invested collateral was \$94,110 at December 31, 2009. Income from the program was immaterial for the years ended December 31, 2010 and 2009, respectively. Fees from security lending activities were \$862 and \$3,333, for the years ended December 31, 2010 and 2009, respectively.

At December 31, 2010 there were no Master Trust assets on loan as the Master Trust no longer participated in the securities lending program. The Master Trust assets on loan under the securities lending agreement at December 31, 2009 are as follows:

|                                 | <b>2009</b>      |
|---------------------------------|------------------|
| Common stock                    | \$ 84,339        |
| U.S. government securities      | 2,524            |
| Registered investment companies | 2,966            |
| Other                           | <u>3,354</u>     |
| Total                           | <u>\$ 93,183</u> |

## **7. EXEMPT PARTY-IN-INTEREST TRANSACTIONS (IN THOUSANDS)**

Certain Master Trust investments are shares of registered investment companies managed by the Trustee. In addition, the Master Trust entered into a securities lending agreement with the Trustee as described in Note 6. These assets and related transactions qualify as exempt party-in-interest transactions.

In addition, the Master Trust invests in shares of ITT Corporation common stock. At December 31, 2010 and 2009, the Master Trust held 1,038 shares of common stock of ITT Corporation, the Plan Sponsor, with a market value of \$54,325 and \$51,607, respectively. During the year ended December 31, 2010 and 2009, the Master Trust recorded dividend income of \$1,038 and \$882 from the common stock of ITT Corporation, respectively. As ITT Corporation is the Plan Sponsor, these transactions qualify as exempt party-in-interest transactions.

Certain administrative functions are performed by officers and employees of the Company (who may also be a participant in the Plan) at no cost to the Plan or Master Trust. These transactions are not deemed prohibited party-in-interest transactions because they are covered by the statutory administrative exemptions from the IRC and ERISA's rules on prohibited transactions.

## **8. FEDERAL INCOME TAX STATUS**

The Internal Revenue Service has determined and informed the Company by a letter dated March 18, 2002, that the Plan and related trust are designed in accordance with the applicable sections of the IRC. The Plan has been amended since receiving the determination letter; however, the plan administrator believes that the Plan is currently designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code (IRC) and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

## **9. PLAN TERMINATION**

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations there under and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (“PBGC”) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor’s pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan’s termination, subject to a statutory ceiling on the amount of an individual’s monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan’s net assets to provide those benefits, the priority of those benefits to be paid and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the existing assets and the PBGC guaranty while other benefits may not be provided for at all.

## **10. SUBSEQUENT EVENTS**

For the year ended December 31, 2010, subsequent events were evaluated through July 15, 2011, the date the financial statements were available to be issued. On January 12, 2011, ITT Corporation announced plans to separate its businesses into three distinct, publicly traded companies. We expect this separation to have minimal to no impact on the Plan.

\* \* \* \* \*

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN / PN: 13-5158950 / 004**

**Schedule SB, Part V – Statement of Actuarial Assumptions and Methods**

***Prescribed Funding Assumptions and Methods***

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|                 |                                         |       |
|-----------------|-----------------------------------------|-------|
| Current Year:   | Segment Rates with four month lookback: |       |
|                 | First Segment Rate                      | 5.03% |
|                 | Second Segment Rate                     | 6.73% |
|                 | Third Segment Rate                      | 6.82% |
|                 | Effective Interest Rate                 | 6.71% |
| <br>Prior Year: | <br>Yield Curve with 2 month lookback:  |       |
|                 | Effective Interest Rate                 | 8.10% |

**Mortality**

RP-2000 Mortality Table, with projections specified by IRS Proposed Reg. Section 1.430(h)(3)-1, with separate annuitant and non-annuitant static mortality tables.

**Actuarial cost method**

Unit Credit Method. The Funding Target is the present value of accrued benefits and based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected plan related expenses to be paid from plan assets during the year.

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**Schedule SB, Part V – Statement of Actuarial Assumptions and Methods**

***Non-Prescribed Funding Assumptions and Methods***

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**Expenses**

Expected plan related expenses of \$214,337 were added to the Target Normal Cost.

**Frequency of optional payment forms**

70% of future retirees and terminations are assumed to take a life annuity. Those future retirees who are assumed not to take a life annuity are assumed to take a Joint and Survivor 50%, 75%, or 100% Option with equal probability. Those terminations who are assumed not to take a life annuity are assumed to take a Joint and Survivor 50% or 75% Option with equal probability.

**Marital percentage**

85% of participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

**Retirement rates**

| <b>Age</b> | <b>Unreduced Assumption</b> | <b>Reduced Assumption</b> |
|------------|-----------------------------|---------------------------|
| 55         | 4.00%                       | 2.03%                     |
| 56         | 4.25%                       | 2.05%                     |
| 57         | 4.50%                       | 2.07%                     |
| 58         | 4.75%                       | 2.14%                     |
| 59         | 5.25%                       | 2.19%                     |
| 60         | 6.00%                       | 2.30%                     |
| 61         | 4.50%                       | 2.37%                     |
| 62         | 20.00%                      | 2.59%                     |
| 63         | 5.00%                       | 2.83%                     |
| 64         | 5.00%                       | 3.07%                     |
| 65         | 70.00%                      | 70.00%                    |
| 66         | 30.00%                      | 30.00%                    |
| 67         | 30.00%                      | 30.00%                    |
| 68         | 30.00%                      | 30.00%                    |
| 69         | 30.00%                      | 30.00%                    |
| 70         | 100.00%                     | 100.00%                   |

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**Schedule SB, Part V – Statement of Actuarial Assumptions and Methods**

**Disability rates**

| Age | Rates |
|-----|-------|
| 25  | 0.03% |
| 30  | 0.03% |
| 35  | 0.03% |
| 40  | 0.04% |
| 45  | 0.08% |
| 50  | 0.21% |
| 55  | 0.45% |
| 60  | 1.01% |
| 65  | 0.00% |

**Withdrawal rates<sup>(1)</sup>**

| Age | Rates |
|-----|-------|
| 25  | 8.36% |
| 30  | 6.30% |
| 35  | 4.77% |
| 40  | 3.76% |
| 45  | 3.00% |
| 50  | 2.35% |
| 55  | 2.03% |
| 60  | 2.30% |
| 65  | 0.00% |

The rates shown are the ultimate withdrawal rates for participants with 3 or more years of service. For ages 45 or less, the rates for the first, second, and third year of employment are the above multiplied by 1.838 plus 0.034, 1.393 plus 0.0056 and 1.240 minus 0.0046, respectively.

**Asset valuation method**

The Actuarial Valuation of Assets is determined using a method that spreads asset gains/(losses) over 2 years. The gain/(loss) for each period is determined as the actual return during the period less the expected return based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value. The discounted value of accrued contributions, if any, is included in the Actuarial Valuation of Assets.

The expected return on plan assets is 9.00% per annum, limited by PPA to the applicable Third Segment Rate as follows:

|                           |       |
|---------------------------|-------|
| 2009 measurement periods: | 6.69% |
| 2008 measurement periods: | 6.43% |

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<sup>(1)</sup> For active participants not eligible for retirement.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
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**Schedule SB, Part V - Summary of Plan Provisions**

**Effective date**

December 31, 1955

**Last amended**

January 1, 2008

**Eligibility**

Immediate.

**Covered employees**

An hourly paid production and maintenance employee of the Company who is represented by the Union, other than a Non-Benefits Employee. Includes hourly paid Employees who are on leave of absence or layoff from employment at the Fort Wayne plants and warehouses in accordance with rules of uniform application established from time to time by the Company or by agreement with the Union representing the Employees covered by this Plan.

**Continuous service**

The total number of years and fractions thereof of uninterrupted employment, measured from date of employment to date of termination. One year of Continuous Service is granted for each calendar year in which the participant completes at least 1,000 hours. In any year in which the participant completes less than 1,000 hours, he shall receive 1/10th of a year credit for each 168 hours or major fraction thereof so completed.

**Credited service**

One year of Credited Service will accrue for each calendar year in which a participant completes at least 1,680 hours; and if a participant completes less than 1,680 hours, he shall receive 1/10th of a year credit for each 168 hours or major portion thereof completed. Maximum service is 42 years.

**Actuarial equivalent**

The determination of actuarially equivalent annuity benefits is based on the mortality table 1974 GBB and interest at 6.5% per annum.

**Normal retirement pension**

*Eligibility*

Age 65.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
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**Schedule SB, Part V - Summary of Plan Provisions**

*Basic monthly benefit*

| <b>Retirement or Termination of<br/>Employment</b> | <b>Benefit<br/>(\$ per Month per Year of<br/>Credited Service)</b> |
|----------------------------------------------------|--------------------------------------------------------------------|
| Before January 1, 2005                             | \$24.00                                                            |
| During 2005                                        | \$26.00                                                            |
| During 2006                                        | \$29.00                                                            |
| During 2007                                        | \$32.00                                                            |
| During 2008                                        | \$33.50                                                            |
| During 2009                                        | \$34.50                                                            |
| On or After January 1, 2010                        | \$35.50                                                            |

**Early retirement pension**

*Eligibility*

Age 55 and 3 years of Credited Service for participants hired on or prior to August 28, 1983.  
Age 55 and 10 years of Continuous service for participants hired after August 28, 1983.

*Benefit*

Prior to attainment of age 62 and completion of 30 years of Credited Service: Accrued pension deferred to age 65, or immediate pension equal to accrued pension reduced by 1/180 for each of the first 60 months and 1/360 for each month in excess of 60 months by which commencement precedes normal retirement date.

After completion of 30 years of Credited Service: Accrued pension deferred to age 62, or immediate pension equal to the accrued pension reduced by 1/180 for each of the first 24 months and 1/360 for each month in excess of 24 months by which commencement precedes age 62.

**Disability retirement pension**

*Eligibility*

Total and permanent disability after age 40 and 10 years of Credited Service.

*Benefit*

Accrued pension payable immediately, not less than \$340 per month or benefit accrued to August 28, 1974 if greater.

**Deferred vested pension**

*Eligibility*

5 years of Continuous Service.

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**Schedule SB, Part V - Summary of Plan Provisions**

*Benefit*

Accrued pension deferred to age 65, or reduced pension after age 55. Reduction same as for early retirement.

**Spouse's benefit**

*Eligibility*

Death of participant after becoming eligible for a vested benefit. Benefit commences no earlier than earliest retirement date which could have been elected by deceased participant.

*Benefit*

Accrued benefit at time of death, adjusted as if participant has retired on date payments to spouse commence under joint and 50% survivor option, and then died. For a terminated vested participant there is a charge for each year coverage is in effect after termination date. Coverage for which a charge is made may be waived with consent of the spouse.

**Normal form of benefit**

*Single*

Life annuity.

*Married*

Reduced joint at 50% survivor annuity.

**Optional forms of benefit**

- (1) Life annuity.
- (2) Joint and 50% survivor annuity.
- (3) Joint and 75% survivor annuity.
- (4) Joint and 100% survivor annuity (N/A for terminations).

**Contributions**

Noncontributory.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN/PIN 13-5158950 / 004**

**Schedule SB, line 24- Change in Actuarial Assumptions**

The expected plan-related expenses added to the Target Normal Cost were changed from \$171,539 to \$214,337.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN/PIN 13-5158950 / 004**

**Schedule SB, line 25 – Change in Method**

The asset valuation method for funding purposes was changed to a method that spreads gains/(losses) over a two year period.

The funding discount rate was changed to the three segment rates with a four month lookback prior to the valuation date.

**ITT Aerospace/Communications Division Pension Plan for Employees in the Bargaining Unit Represented by Local 999, IUE,  
AFL-CIO  
EIN / PIN 13-5158950 / 004**

**Schedule SB, Line 26 - Schedule of Active Participant Data**

| AGE     | CREDITED SERVICE |       |       |         |         |         |         |         |         |     | Total |
|---------|------------------|-------|-------|---------|---------|---------|---------|---------|---------|-----|-------|
|         | < 1              | 1 - 4 | 5 - 9 | 10 - 14 | 15 - 19 | 20 - 24 | 25 - 29 | 30 - 34 | 35 - 39 | 40+ |       |
| < 25    | 1                | 2     | 0     | 0       | 0       | 0       | 0       | 0       | 0       | 0   | 3     |
| 25 - 29 | 5                | 15    | 0     | 0       | 0       | 0       | 0       | 0       | 0       | 0   | 20    |
| 30 - 34 | 3                | 13    | 4     | 0       | 0       | 0       | 0       | 0       | 0       | 0   | 20    |
| 35 - 39 | 1                | 17    | 6     | 4       | 2       | 0       | 0       | 0       | 0       | 0   | 30    |
| 40 - 44 | 1                | 30    | 4     | 6       | 23      | 19      | 0       | 0       | 0       | 0   | 83    |
| 45 - 49 | 2                | 42    | 10    | 8       | 37      | 33      | 4       | 0       | 0       | 0   | 136   |
| 50 - 54 | 2                | 30    | 8     | 15      | 33      | 35      | 4       | 0       | 0       | 0   | 127   |
| 55 - 59 | 1                | 25    | 11    | 6       | 23      | 40      | 4       | 4       | 4       | 1   | 119   |
| 60 - 64 | 1                | 14    | 10    | 17      | 16      | 19      | 4       | 1       | 7       | 0   | 89    |
| 65 - 69 | 0                | 1     | 0     | 5       | 11      | 2       | 2       | 0       | 1       | 0   | 22    |
| 70+     | 0                | 0     | 1     | 3       | 1       | 1       | 1       | 0       | 0       | 0   | 7     |
| Total   | 17               | 189   | 54    | 64      | 146     | 149     | 19      | 5       | 12      | 1   | 656   |

Includes participants on leave of absence and transferred participants.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN / PN: 13-5158950 / 004**

**Schedule SB, line 32 – Schedule of Amortization Bases**

| <u>Type of Base</u> | <u>Present Value of<br/>any remaining<br/>installments</u> | <u>Valuation Date<br/>the base was<br/>established</u> | <u>Number of years<br/>remaining in the<br/>amortization<br/>period</u> | <u>Amortization<br/>installment</u> |
|---------------------|------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------|
| 1. Shortfall        | 2,251,104                                                  | 1/1/2009                                               | 6                                                                       | 427,517                             |
| 2. Shortfall        | 2,397,381                                                  | 1/1/2010                                               | 7                                                                       | 403,460                             |

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN/PIN 13-5158950 / 004**

**Schedule SB, Line 22 – Description of Weighted-Average Retirement Age**

This age is derived by applying, for an employee with the characteristics of an average new entrant to the plan, the following formula, modified so that the “1/2” is not used for t = FRA-ERA.

$$\sum_{t=0}^{FRA-ERA} ({}_t p_{ERA}) * ({}_t q_{ERA+t}^r) * (ERA + t + \frac{1}{2})$$

$$\sum_{t=0}^{FRA-ERA} ({}_t p_{ERA}) * ({}_t q_{ERA+t}^r)$$

where

FRA = age by which everyone is assumed to retire  
 ERA = age before which nobody is assumed to retire  
 ${}_t p_{ERA}$  = probability of surviving at work to age ERA + t  
 ${}_t q_{ERA+t}^r$  = probability of retiring at age ERA + t

Probability of

| <u>Age</u> | <u>Normal Retirement</u> | <u>Early Retirement</u> |
|------------|--------------------------|-------------------------|
| 55         |                          | 4.00%                   |
| 56         |                          | 4.25                    |
| 57         |                          | 4.50                    |
| 58         |                          | 4.75                    |
| 59         |                          | 5.25                    |
| 60         |                          | 6.00                    |
| 61         |                          | 4.50                    |
| 62         |                          | 20.00                   |
| 63         |                          | 5.00                    |
| 64         |                          | 5.00                    |
| 65         | 70.00%                   |                         |
| 66         | 30.00                    |                         |
| 67         | 30.00                    |                         |
| 68         | 30.00                    |                         |
| 69         | 30.00                    |                         |
| 70         | 100.00                   |                         |

|                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration<br/>Pension Benefit Guaranty Corporation</small> | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2010</b><br><br><b>This Form is Open to Public Inspection</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|

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.

|                                                                                                                                                         |                                                                 |     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|-----|
| <b>A</b> Name of plan<br><br>ITT Aerospace/Communications Division Pension Plan for Employees in                                                        | <b>B</b> Three-digit plan number (PN) ►                         | 004 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><br>ITT Corporation                                                         | <b>D</b> Employer Identification Number (EIN)<br><br>13-5158950 |     |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B               |                                                                 |     |
| <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |                                                                 |     |

|                                                                                                                                                                                                       |              |                                   |                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------------------------------|---------------------------|
| <b>Part I Basic Information</b>                                                                                                                                                                       |              |                                   |                           |
| <b>1</b> Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>                                                                                                                       |              |                                   |                           |
| <b>2</b> Assets:                                                                                                                                                                                      |              |                                   |                           |
| <b>a</b> Market value.....                                                                                                                                                                            | <b>2a</b>    | 24,353,101                        |                           |
| <b>b</b> Actuarial value.....                                                                                                                                                                         | <b>2b</b>    | 25,495,484                        |                           |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                   |              | <b>(1) Number of participants</b> | <b>(2) Funding Target</b> |
| <b>a</b> For retired participants and beneficiaries receiving payment .....                                                                                                                           | <b>3a</b>    | 221                               | 8,600,148                 |
| <b>b</b> For terminated vested participants .....                                                                                                                                                     | <b>3b</b>    | 231                               | 2,519,271                 |
| <b>c</b> For active participants:                                                                                                                                                                     |              |                                   |                           |
| <b>(1)</b> Non-vested benefits.....                                                                                                                                                                   | <b>3c(1)</b> |                                   | 1,555,501                 |
| <b>(2)</b> Vested benefits.....                                                                                                                                                                       | <b>3c(2)</b> |                                   | 18,053,408                |
| <b>(3)</b> Total active .....                                                                                                                                                                         | <b>3c(3)</b> | 656                               | 19,608,909                |
| <b>d</b> Total.....                                                                                                                                                                                   | <b>3d</b>    | 1,108                             | 30,728,328                |
| <b>4</b> If the plan is at-risk, check the box and complete items (a) and (b) <input type="checkbox"/>                                                                                                |              |                                   |                           |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                             | <b>4a</b>    |                                   |                           |
| <b>b</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 ..... | <b>4b</b>    |                                   |                           |
| <b>5</b> Effective interest rate .....                                                                                                                                                                | <b>5</b>     | 6.71 %                            |                           |
| <b>6</b> Target normal cost.....                                                                                                                                                                      | <b>6</b>     | 1,268,426                         |                           |

**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.

|                  |                                                            |                                                                 |
|------------------|------------------------------------------------------------|-----------------------------------------------------------------|
| <b>SIGN HERE</b> | (Signed) <u>BARBARA H. VAUGHAN</u><br>Signature of actuary | <u>07/28/2011</u><br>Date                                       |
|                  | <u>Barbara H. Vaughan</u><br>Type or print name of actuary | <u>11-04686</u><br>Most recent enrollment number                |
|                  | <u>Buck Consultants, LLC</u><br>Firm name                  | <u>(201) 902-2300</u><br>Telephone number (including area code) |
|                  | <u>500 Plaza Drive</u><br>Address of the firm              |                                                                 |
|                  | <u>Secaucus NJ 07096-1533</u>                              |                                                                 |

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**

| <b>Part II</b> |                                                                                                 | <b>Beginning of year carryover and prefunding balances</b> |                        |
|----------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------|
|                |                                                                                                 | (a) Carryover balance                                      | (b) Prefunding balance |
| <b>7</b>       | Balance at beginning of prior year after applicable adjustments (Item 13 from prior year) ..... | 229,786                                                    | 256,317                |
| <b>8</b>       | Portion used to offset prior year's funding requirement (Item 35 from prior year) .....         | 0                                                          | 0                      |
| <b>9</b>       | Amount remaining (Item 7 minus item 8).....                                                     | 229,786                                                    | 256,317                |
| <b>10</b>      | Interest on item 9 using prior year's actual return of <u>26.40</u> % .....                     | 60,664                                                     | 67,668                 |
| <b>11</b>      | Prior year's excess contributions to be added to prefunding balance:                            |                                                            |                        |
| <b>a</b>       | Excess contributions (Item 38 from prior year) .....                                            |                                                            | 65,396                 |
| <b>b</b>       | Interest on (a) using prior year's effective rate of <u>8.10</u> % .....                        |                                                            | 5,297                  |
| <b>c</b>       | Total available at beginning of current plan year to add to prefunding balance .....            |                                                            | 70,693                 |
| <b>d</b>       | Portion of (c) to be added to prefunding balance.....                                           |                                                            | 30,339                 |
| <b>12</b>      | Reduction in balances due to elections or deemed elections.....                                 | 0                                                          | 0                      |
| <b>13</b>      | Balance at beginning of current year (item 9 + item 10 + item 11d - item 12) .....              | 290,450                                                    | 354,324                |

| <b>Part III</b> |                                                                                                                                                                 | <b>Funding percentages</b> |         |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|---------|
| <b>14</b>       | Funding target attainment percentage.....                                                                                                                       | <b>14</b>                  | 80.87 % |
| <b>15</b>       | Adjusted funding target attainment percentage.....                                                                                                              | <b>15</b>                  | 80.87 % |
| <b>16</b>       | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement..... | <b>16</b>                  | 85.02 % |
| <b>17</b>       | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....                                        | <b>17</b>                  | %       |

| <b>Part IV</b>                                                                           |                                   | <b>Contributions and liquidity shortfalls</b> |                          |                                   |                                 |
|------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------|--------------------------|-----------------------------------|---------------------------------|
| <b>18</b> Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                               |                          |                                   |                                 |
| (a) Date<br>(MM-DD-YYYY)                                                                 | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees               | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
| 07/15/2010                                                                               | 363,589                           |                                               |                          |                                   |                                 |
| 10/15/2010                                                                               | 60,915                            |                                               |                          |                                   |                                 |
| 01/14/2011                                                                               | 364,000                           |                                               |                          |                                   |                                 |
| 07/05/2011                                                                               | 4,066,000                         |                                               |                          |                                   |                                 |
|                                                                                          |                                   |                                               |                          |                                   |                                 |
|                                                                                          |                                   |                                               |                          |                                   |                                 |
|                                                                                          |                                   |                                               | <b>Totals ▶</b>          | <b>18(b)</b>                      | 4,854,504                       |
|                                                                                          |                                   |                                               |                          | <b>18(c)</b>                      | 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. ....                    | <b>19a</b> | 0         |
| b Contributions made to avoid restrictions adjusted to valuation date .....                                     | <b>19b</b> | 0         |
| c Contributions allocated toward minimum required contribution for current year adjusted to valuation date..... | <b>19c</b> | 4,436,339 |

**20** Quarterly contributions and liquidity shortfalls:

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

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

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

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

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

|                                                                                                                                                                                              |                        |                        |                        |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                        |                        |                        |                                                     |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>5.03 % | 2nd segment:<br>6.73 % | 3rd segment:<br>6.82 % | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code) .....                                                                                                                                                 |                        |                        |                        | <b>21b</b> 4                                        |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                        |                        |                        | <b>22</b> 63                                        |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                        |                        |                        |                                                     |

**Part VI Miscellaneous items**

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

**Part VII Reconciliation of unpaid minimum required contributions for prior years**

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

**Part VIII Minimum required contribution for current year**

|                                                                                                                                                                                      |                     |                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|
| <b>31</b> Target normal cost, adjusted, if applicable (see instructions).....                                                                                                        | <b>31</b>           | 1,268,426          |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance | Installment        |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 4,648,485           | 830,977            |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   | 0                  |
| <b>33</b> 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 ..... | <b>33</b>           | 0                  |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33).....                                                   | <b>34</b>           | 2,099,403          |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance |
| <b>35</b> Balances used to offset funding requirement .....                                                                                                                          | 290,450             | 354,324            |
| <b>36</b> Additional cash requirement (item 34 minus item 35).....                                                                                                                   | <b>36</b>           | 1,454,629          |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....                                                   | <b>37</b>           | 4,436,339          |
| <b>38</b> Interest-adjusted excess contributions for current year (see instructions).....                                                                                            | <b>38</b>           | 2,981,710          |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....                                                                       | <b>39</b>           | 0                  |
| <b>40</b> Unpaid minimum required contribution for all years .....                                                                                                                   | <b>40</b>           | 0                  |

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN/PIN 13-5158950 / 004**

**Schedule SB, Line 22 – Description of Weighted-Average Retirement Age**

This age is derived by applying, for an employee with the characteristics of an average new entrant to the plan, the following formula, modified so that the “1/2” is not used for t = FRA-ERA.

$$\sum_{t=0}^{FRA-ERA} ({}_t p_{ERA}) * ({}_t q_{ERA+t}^r) * (ERA + t + \frac{1}{2})$$

$$\sum_{t=0}^{FRA-ERA} ({}_t p_{ERA}) * ({}_t q_{ERA+t}^r)$$

where

FRA = age by which everyone is assumed to retire  
 ERA = age before which nobody is assumed to retire  
 ${}_t p_{ERA}$  = probability of surviving at work to age ERA + t  
 ${}_t q_{ERA+t}^r$  = probability of retiring at age ERA + t

Probability of

| <u>Age</u> | <u>Normal Retirement</u> | <u>Early Retirement</u> |
|------------|--------------------------|-------------------------|
| 55         |                          | 4.00%                   |
| 56         |                          | 4.25                    |
| 57         |                          | 4.50                    |
| 58         |                          | 4.75                    |
| 59         |                          | 5.25                    |
| 60         |                          | 6.00                    |
| 61         |                          | 4.50                    |
| 62         |                          | 20.00                   |
| 63         |                          | 5.00                    |
| 64         |                          | 5.00                    |
| 65         | 70.00%                   |                         |
| 66         | 30.00                    |                         |
| 67         | 30.00                    |                         |
| 68         | 30.00                    |                         |
| 69         | 30.00                    |                         |
| 70         | 100.00                   |                         |

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN / PN: 13-5158950 / 004**

**Schedule SB, Part V – Statement of Actuarial Assumptions and Methods**

***Prescribed Funding Assumptions and Methods***

---

|               |                                         |       |
|---------------|-----------------------------------------|-------|
| Current Year: | Segment Rates with four month lookback: |       |
|               | First Segment Rate                      | 5.03% |
|               | Second Segment Rate                     | 6.73% |
|               | Third Segment Rate                      | 6.82% |
|               | Effective Interest Rate                 | 6.71% |

|             |                                    |       |
|-------------|------------------------------------|-------|
| Prior Year: | Yield Curve with 2 month lookback: |       |
|             | Effective Interest Rate            | 8.10% |

**Mortality**

RP-2000 Mortality Table, with projections specified by IRS Proposed Reg. Section 1.430(h)(3)-1, with separate annuitant and non-annuitant static mortality tables.

**Actuarial cost method**

Unit Credit Method. The Funding Target is the present value of accrued benefits and based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected plan related expenses to be paid from plan assets during the year.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN / PN: 13-5158950 / 004**

**Schedule SB, Part V – Statement of Actuarial Assumptions and Methods**

***Non-Prescribed Funding Assumptions and Methods***

---

**Expenses**

Expected plan related expenses of \$214,337 were added to the Target Normal Cost.

**Frequency of optional payment forms**

70% of future retirees and terminations are assumed to take a life annuity. Those future retirees who are assumed not to take a life annuity are assumed to take a Joint and Survivor 50%, 75%, or 100% Option with equal probability. Those terminations who are assumed not to take a life annuity are assumed to take a Joint and Survivor 50% or 75% Option with equal probability.

**Marital percentage**

85% of participants are assumed to be married at death. Husbands are assumed to be 3 years older than their wives.

**Retirement rates**

| Age | Unreduced Assumption | Reduced Assumption |
|-----|----------------------|--------------------|
| 55  | 4.00%                | 2.03%              |
| 56  | 4.25%                | 2.05%              |
| 57  | 4.50%                | 2.07%              |
| 58  | 4.75%                | 2.14%              |
| 59  | 5.25%                | 2.19%              |
| 60  | 6.00%                | 2.30%              |
| 61  | 4.50%                | 2.37%              |
| 62  | 20.00%               | 2.59%              |
| 63  | 5.00%                | 2.83%              |
| 64  | 5.00%                | 3.07%              |
| 65  | 70.00%               | 70.00%             |
| 66  | 30.00%               | 30.00%             |
| 67  | 30.00%               | 30.00%             |
| 68  | 30.00%               | 30.00%             |
| 69  | 30.00%               | 30.00%             |
| 70  | 100.00%              | 100.00%            |

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN / PN: 13-5158950 / 004**

**Schedule SB, Part V – Statement of Actuarial Assumptions and Methods**

**Disability rates**

| Age | Rates |
|-----|-------|
| 25  | 0.03% |
| 30  | 0.03% |
| 35  | 0.03% |
| 40  | 0.04% |
| 45  | 0.08% |
| 50  | 0.21% |
| 55  | 0.45% |
| 60  | 1.01% |
| 65  | 0.00% |

**Withdrawal rates<sup>(1)</sup>**

| Age | Rates |
|-----|-------|
| 25  | 8.36% |
| 30  | 6.30% |
| 35  | 4.77% |
| 40  | 3.76% |
| 45  | 3.00% |
| 50  | 2.35% |
| 55  | 2.03% |
| 60  | 2.30% |
| 65  | 0.00% |

The rates shown are the ultimate withdrawal rates for participants with 3 or more years of service. For ages 45 or less, the rates for the first, second, and third year of employment are the above multiplied by 1.838 plus 0.034, 1.393 plus 0.0056 and 1.240 minus 0.0046, respectively.

**Asset valuation method**

The Actuarial Valuation of Assets is determined using a method that spreads asset gains/(losses) over 2 years. The gain/(loss) for each period is determined as the actual return during the period less the expected return based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third segment rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value. The discounted value of accrued contributions, if any, is included in the Actuarial Valuation of Assets.

The expected return on plan assets is 9.00% per annum, limited by PPA to the applicable Third Segment Rate as follows:

|                           |       |
|---------------------------|-------|
| 2009 measurement periods: | 6.69% |
| 2008 measurement periods: | 6.43% |

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<sup>(1)</sup> For active participants not eligible for retirement.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN / PIN 13-5158950 / 004**

**Schedule SB, Part V - Summary of Plan Provisions**

**Effective date**

December 31, 1955

**Last amended**

January 1, 2008

**Eligibility**

Immediate.

**Covered employees**

An hourly paid production and maintenance employee of the Company who is represented by the Union, other than a Non-Benefits Employee. Includes hourly paid Employees who are on leave of absence or layoff from employment at the Fort Wayne plants and warehouses in accordance with rules of uniform application established from time to time by the Company or by agreement with the Union representing the Employees covered by this Plan.

**Continuous service**

The total number of years and fractions thereof of uninterrupted employment, measured from date of employment to date of termination. One year of Continuous Service is granted for each calendar year in which the participant completes at least 1,000 hours. In any year in which the participant completes less than 1,000 hours, he shall receive 1/10th of a year credit for each 168 hours or major fraction thereof so completed.

**Credited service**

One year of Credited Service will accrue for each calendar year in which a participant completes at least 1,680 hours; and if a participant completes less than 1,680 hours, he shall receive 1/10th of a year credit for each 168 hours or major portion thereof completed. Maximum service is 42 years.

**Actuarial equivalent**

The determination of actuarially equivalent annuity benefits is based on the mortality table 1974 GBB and interest at 6.5% per annum.

**Normal retirement pension**

*Eligibility*

Age 65.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN / PIN 13-5158950 / 004**

**Schedule SB, Part V - Summary of Plan Provisions**

*Basic monthly benefit*

| <b>Retirement or Termination of<br/>Employment</b> | <b>Benefit<br/>(\$ per Month per Year of<br/>Credited Service)</b> |
|----------------------------------------------------|--------------------------------------------------------------------|
| Before January 1, 2005                             | \$24.00                                                            |
| During 2005                                        | \$26.00                                                            |
| During 2006                                        | \$29.00                                                            |
| During 2007                                        | \$32.00                                                            |
| During 2008                                        | \$33.50                                                            |
| During 2009                                        | \$34.50                                                            |
| On or After January 1, 2010                        | \$35.50                                                            |

**Early retirement pension**

*Eligibility*

Age 55 and 3 years of Credited Service for participants hired on or prior to August 28, 1983.  
Age 55 and 10 years of Continuous service for participants hired after August 28, 1983.

*Benefit*

Prior to attainment of age 62 and completion of 30 years of Credited Service: Accrued pension deferred to age 65, or immediate pension equal to accrued pension reduced by 1/180 for each of the first 60 months and 1/360 for each month in excess of 60 months by which commencement precedes normal retirement date.

After completion of 30 years of Credited Service: Accrued pension deferred to age 62, or immediate pension equal to the accrued pension reduced by 1/180 for each of the first 24 months and 1/360 for each month in excess of 24 months by which commencement precedes age 62.

**Disability retirement pension**

*Eligibility*

Total and permanent disability after age 40 and 10 years of Credited Service.

*Benefit*

Accrued pension payable immediately, not less than \$340 per month or benefit accrued to August 28, 1974 if greater.

**Deferred vested pension**

*Eligibility*

5 years of Continuous Service.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN / PIN 13-5158950 / 004**

**Schedule SB, Part V - Summary of Plan Provisions**

*Benefit*

Accrued pension deferred to age 65, or reduced pension after age 55. Reduction same as for early retirement.

**Spouse's benefit**

*Eligibility*

Death of participant after becoming eligible for a vested benefit. Benefit commences no earlier than earliest retirement date which could have been elected by deceased participant.

*Benefit*

Accrued benefit at time of death, adjusted as if participant has retired on date payments to spouse commence under joint and 50% survivor option, and then died. For a terminated vested participant there is a charge for each year coverage is in effect after termination date. Coverage for which a charge is made may be waived with consent of the spouse.

**Normal form of benefit**

*Single*

Life annuity.

*Married*

Reduced joint at 50% survivor annuity.

**Optional forms of benefit**

- (1) Life annuity.
- (2) Joint and 50% survivor annuity.
- (3) Joint and 75% survivor annuity.
- (4) Joint and 100% survivor annuity (N/A for terminations).

**Contributions**

Noncontributory.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN/PIN 13-5158950 / 004**

**Schedule SB, line 24- Change in Actuarial Assumptions**

The expected plan-related expenses added to the Target Normal Cost were changed from \$171,539 to \$214,337.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN/PIN 13-5158950 / 004**

**Schedule SB, line 25 – Change in Method**

The asset valuation method for funding purposes was changed to a method that spreads gains/(losses) over a two year period.

The funding discount rate was changed to the three segment rates with a four month lookback prior to the valuation date.

**ITT Aerospace/Communications Division Pension Plan for Employees in the Bargaining Unit Represented by Local 999, IUE,  
AFL-CIO  
EIN / PIN 13-5158950 / 004**

**Schedule SB, Line 26 - Schedule of Active Participant Data**

| AGE     | CREDITED SERVICE |       |       |         |         |         |         |         |         |     | Total |
|---------|------------------|-------|-------|---------|---------|---------|---------|---------|---------|-----|-------|
|         | < 1              | 1 - 4 | 5 - 9 | 10 - 14 | 15 - 19 | 20 - 24 | 25 - 29 | 30 - 34 | 35 - 39 | 40+ |       |
| < 25    | 1                | 2     | 0     | 0       | 0       | 0       | 0       | 0       | 0       | 0   | 3     |
| 25 - 29 | 5                | 15    | 0     | 0       | 0       | 0       | 0       | 0       | 0       | 0   | 20    |
| 30 - 34 | 3                | 13    | 4     | 0       | 0       | 0       | 0       | 0       | 0       | 0   | 20    |
| 35 - 39 | 1                | 17    | 6     | 4       | 2       | 0       | 0       | 0       | 0       | 0   | 30    |
| 40 - 44 | 1                | 30    | 4     | 6       | 23      | 19      | 0       | 0       | 0       | 0   | 83    |
| 45 - 49 | 2                | 42    | 10    | 8       | 37      | 33      | 4       | 0       | 0       | 0   | 136   |
| 50 - 54 | 2                | 30    | 8     | 15      | 33      | 35      | 4       | 0       | 0       | 0   | 127   |
| 55 - 59 | 1                | 25    | 11    | 6       | 23      | 40      | 4       | 4       | 4       | 1   | 119   |
| 60 - 64 | 1                | 14    | 10    | 17      | 16      | 19      | 4       | 1       | 7       | 0   | 89    |
| 65 - 69 | 0                | 1     | 0     | 5       | 11      | 2       | 2       | 0       | 1       | 0   | 22    |
| 70+     | 0                | 0     | 1     | 3       | 1       | 1       | 1       | 0       | 0       | 0   | 7     |
| Total   | 17               | 189   | 54    | 64      | 146     | 149     | 19      | 5       | 12      | 1   | 656   |

Includes participants on leave of absence and transferred participants.

**ITT AEROSPACE/COMMUNICATIONS DIVISION PENSION PLAN FOR EMPLOYEES IN THE  
BARGAINING UNIT REPRESENTED BY LOCAL 999, IUE, AFL-CIO  
EIN / PN: 13-5158950 / 004**

**Schedule SB, line 32 – Schedule of Amortization Bases**

| <u>Type of Base</u> | <u>Present Value of<br/>any remaining<br/>installments</u> | <u>Valuation Date<br/>the base was<br/>established</u> | <u>Number of years<br/>remaining in the<br/>amortization<br/>period</u> | <u>Amortization<br/>installment</u> |
|---------------------|------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------|-------------------------------------|
| 1. Shortfall        | 2,251,104                                                  | 1/1/2009                                               | 6                                                                       | 427,517                             |
| 2. Shortfall        | 2,397,381                                                  | 1/1/2010                                               | 7                                                                       | 403,460                             |

|                         |                                                                                                                                                                                                                               |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Plan Name</b>        | <b>ITT Electronic Systems Pension Plan for Employees in the Bargaining Unit (Formerly the ITT Aerospace/Communications Division Pension Plan for Employees in the Bargaining Unit Represented by Local 999, IUE, AFL-CIO)</b> |
| <b>Plan Sponsor EIN</b> | <b>13-5158950</b>                                                                                                                                                                                                             |
| <b>ERISA Plan #</b>     | <b>004</b>                                                                                                                                                                                                                    |
| <b>Plan Year Ending</b> | <b>12/31/2010</b>                                                                                                                                                                                                             |

**The required attachment marked with an "X" in the Attachment column is included within the Accountant's Opinion attachment to Sch. H, Part III, Line 3, which consists of the entire audit report issued by the plan's Independent Qualified Public Accountant (IQPA).**

| <b>Form/Schedule</b> | <b>Line #</b> | <b>Description</b>                                          | <b>Attachment</b> |
|----------------------|---------------|-------------------------------------------------------------|-------------------|
| 5500 Sch. H          | Line 3        | Financial statements used in formulating the IQPA's opinion | x                 |
| 5500 Sch. H          | Line 4i       | Schedule of Assets (Held at End of Year)                    |                   |
| 5500 Sch. H          | Line 4i       | Schedule of Assets (Acquired and Disposed of Within Year)   |                   |
| 5500 Sch. H          | Line 4j       | Schedule of Reportable Transactions                         |                   |
| 5500 Sch. H          | Line 4a       | Schedule of Delinquent Participant Contributions            |                   |

**Form 5500**Department of the Treasury  
Internal Revenue ServiceDepartment 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  
☒ 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**

|                                                                                                                                                                                                                                       |                                                                     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>1a</b> Name of plan <u>ITT Electronic Systems Pension Plan for Employees in the Bargaining Unit</u>                                                                                                                                | <b>1b</b> Three-digit plan number (PN) ▶ <u>004</u>                 |
|                                                                                                                                                                                                                                       | <b>1c</b> Effective date of plan <u>12/01/1955</u>                  |
| <b>2a</b> Plan sponsor's name and address (employer, if for a single-employer plan)<br>(Address should include room or suite no.)<br><u>ITT Corporation</u><br><br><u>1133 Westchester Avenue</u><br><br><u>White Plains NY 10604</u> | <b>2b</b> Employer Identification Number (EIN)<br><u>13-5158950</u> |
|                                                                                                                                                                                                                                       | <b>2c</b> Sponsor's telephone number<br>(914) <u>641-2000</u>       |
|                                                                                                                                                                                                                                       | <b>2d</b> Business code (see instructions)<br><u>333200</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.

|                  |                                    |                |                                                              |
|------------------|------------------------------------|----------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | <u>Caroline M. Hunt</u>            | <u>9/19/11</u> | <u>CAROLINE M. HUNT</u>                                      |
|                  | Signature of plan administrator    | Date           | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> | <u>Janice Klettner</u>             | <u>10/3/11</u> | <u>Janice Klettner</u>                                       |
|                  | Signature of employer/plan sponsor | Date           | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                    |                |                                                              |
|                  | 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