

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2011 This Form is Open to Public Inspection
---	---	---

Part I	Annual Report Identification Information
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information						
1a Name of plan <u>AVIALL, INC. RETIREMENT PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1994</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1994</u>			
1b Three-digit plan number (PN) ▶	<u>001</u>						
1c Effective date of plan <u>01/01/1994</u>							
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO</u> <u>C/O BOEING EMPLOYEE BENEFITS</u> <u>P.O. BOX 3707 M/C 11-57</u> <u>SEATTLE, WA 98124-2207</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">2b Employer Identification Number (EIN) <u>65-0433083</u></td> <td style="width: 20%;"></td> </tr> <tr> <td>2c Sponsor's telephone number <u>206-662-5825</u></td> <td></td> </tr> <tr> <td>2d Business code (see instructions) <u>336410</u></td> <td></td> </tr> </table>	2b Employer Identification Number (EIN) <u>65-0433083</u>		2c Sponsor's telephone number <u>206-662-5825</u>		2d Business code (see instructions) <u>336410</u>	
2b Employer Identification Number (EIN) <u>65-0433083</u>							
2c Sponsor's telephone number <u>206-662-5825</u>							
2d Business code (see instructions) <u>336410</u>							

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	08/01/2012	SCOTT BUCHANAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") EMPLOYEE BENEFIT PLANS COMMITTEE 100 N. RIVERSIDE PLAZA CHICAGO, IL 60606-1596	3b Administrator's EIN 58-2405861 3c Administrator's telephone number 312-544-2297
---	---

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
---	-----------------------------------

5 Total number of participants at the beginning of the plan year	5	3097
---	----------	------

6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	1108
b Retired or separated participants receiving benefits.....	6b	823
c Other retired or separated participants entitled to future benefits.....	6c	941
d Subtotal. Add lines 6a , 6b , and 6c	6d	2872
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	158
f Total. Add lines 6d and 6e	6f	3030
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	45

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
--	----------	--

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

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:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)

(2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary

(3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

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

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection
--	--	---

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

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

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

A Name of plan <u>AVIALL, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO</u>	D Employer Identification Number (EIN) <u>65-0433083</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2011</u>	
2 Assets:	
a Market value	2a <u>109281677</u>
b Actuarial value	2b <u>100192480</u>
3 Funding target/participant count breakdown:	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>969</u> <u>36382597</u>
b For terminated vested participants	3b <u>1007</u> <u>17544022</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>6214826</u>
(2) Vested benefits	3c(2) <u>39508233</u>
(3) Total active	3c(3) <u>1138</u> <u>45723059</u>
d Total	3d <u>3114</u> <u>99649678</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>6.33 %</u>
6 Target normal cost	6 <u>5181551</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>07/30/2012</u>
Signature of actuary		Date
<u>BENJAMIN P. HAGAN</u>		<u>11-07189</u>
Type or print name of actuary		Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>		<u>214-530-4200</u>
Firm name		Telephone number (including area code)
<u>500 N. AKARD STREET, SUITE 4100</u> <u>DALLAS, TX 75201</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) 2011
v.012611

Part II Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	13841332	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	724440	0
9 Amount remaining (line 7 minus line 8)	13116892	0
10 Interest on line 9 using prior year's actual return of <u>16.04</u> %	2103818	
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38 from prior year)		12083863
b Interest on (a) using prior year's effective rate of <u>6.70</u> % except as otherwise provided (see instructions)		809619
c Total available at beginning of current plan year to add to prefunding balance		12893482
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	15220710	0

Part III Funding percentages		
14 Funding target attainment percentage	14	85.27 %
15 Adjusted funding target attainment percentage	15	100.54 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	96.09 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/13/2012	13000000				
			Totals ►	18(b)	13000000
				18(c)	

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 contributions from prior years	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	12015312
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
0	0	0
		0
		0

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

21 Discount rate:				
a Segment rates:	1st segment: 3.78%	2nd segment: 6.31%	3rd segment: 6.57%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	5181551	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment		0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	5181551	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	3963608	0	3963608
36 Additional cash requirement (line 34 minus line 35)	36	1217943	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	12015312	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	10797369	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	3963608	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan AVIALL, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO	D Employer Identification Number (EIN) 65-0433083

Part I	Service Provider Information (see instructions)
---------------	--

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

TOWERS WATSON DELAWARE INC.

53-0181291

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 14 17 70	NONE	310731	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLS FARGO BANK

41-6257133

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	NONE	378311	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

IVINS PHILLIPS & BARKER

52-1229560

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	9616	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan AVIALL, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO	D Employer Identification Number (EIN) 65-0433083	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
---------------	--

a Name of MTIA, CCT, PSA, or 103-12 IE:	TOTAL RETURN BOND FUND G
--	--------------------------

b Name of sponsor of entity listed in (a):	WELLS FARGO
---	-------------

c EIN-PN 94-3222878-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
--------------------------------	------------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:	LIABILITY DRIVEN SOLUTION I
--	-----------------------------

b Name of sponsor of entity listed in (a):	WELLS FARGO
---	-------------

c EIN-PN 30-6225619-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
--------------------------------	------------------------	---

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan AVIALL, INC. RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO	D Employer Identification Number (EIN) 65-0433083	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		105380605
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	14000000	13000000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	188	146
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1608657	
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)	11243741	
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	82909905	
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	109762491	118380751

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	85718	24181
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	85718	24181

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	109676773	118356570
---	----	-----------	-----------

Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	13000000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		13000000

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1712	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		1712

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1183738	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1183738

(3) Rents	2b(3)		
-----------------	-------	--	--

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

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		1101302
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-2306623
c Other income.....	2c		148250
d Total income. Add all income amounts in column (b) and enter total.....	2d		13128379

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3640962	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		3640962
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	320347	
(2) Contract administrator fees	2i(2)	378311	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	108962	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		807620
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		4448582

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		8679797
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: MOSS ADAMS LLP

(2) EIN: 91-0189318

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		95000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☒ No Amount:

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

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>AVIALL, INC. RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO</u>	D Employer Identification Number (EIN) <u>65-0433083</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>41-6257133</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>0</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☒ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) _____

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

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

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

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: 100%

- 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):

AVIALL, INC. RETIREMENT PLAN

**Report of Independent Auditors
and Financial Statements
with Supplemental Schedule**

December 31, 2011 and 2010

MOSS-ADAMS_{LLP}

Certified Public Accountants | Business Consultants

Acumen. Agility. Answers.

CONTENTS

	PAGE
REPORT OF INDEPENDENT AUDITORS	1-2
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits	3
Statements of Changes in Net Assets Available for Benefits	4
Notes to Financial Statements	5-12
SUPPLEMENTAL SCHEDULE	
Schedule H, Line 4(j) - Schedule of Reportable Transactions	13

REPORT OF INDEPENDENT AUDITORS

To the Employee Benefit Plans Committee
Aviall, Inc. Retirement Plan

We have audited the accompanying statements of net assets available for benefits of the Aviall, Inc. Retirement Plan (the "Plan") as of December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the years then ended, and the supplemental schedule of Schedule H, Line 4(j) - Schedule of Reportable Transactions for the year ended December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as explained in the following paragraph, 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, investment assets held by Wells Fargo Bank N.A., the trustee of the Plan, and transactions in those assets were excluded from the scope of our audit of the Plan's 2010 financial statements, except for comparing the information provided by the trustee, which is summarized in Note 6, with the related information included in the financial statements.

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

In our opinion, the financial statements referred to above of the Aviall, Inc. Retirement Plan as of December 31, 2011, and for the year then ended, present fairly in all material respects the financial status of the Plan as of December 31, 2011 and changes in its financial status for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit of the Plan's financial statements as of and for the year ended December 31, 2011, was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedule of Schedule H, Line 4(j) - Schedule of Reportable Transactions is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2011, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Meow Adams LLP

Seattle, Washington
June 25, 2012

AVIALL, INC. RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
ASSETS		
Cash	<u>\$ 105,380,605</u>	<u>\$ -</u>
Investments, at fair value		
Mutual funds	-	82,909,905
Collective trust funds	-	11,243,741
Money market fund	-	1,608,657
Total investments, at fair value	<u>-</u>	<u>95,762,303</u>
Receivables		
Employer contribution receivable	13,000,000	14,000,000
Accrued income	146	188
Total receivables	<u>13,000,146</u>	<u>14,000,188</u>
Total assets	118,380,751	109,762,491
LIABILITIES		
Administrative expenses payable	<u>24,181</u>	<u>85,718</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 118,356,570</u></u>	<u><u>\$ 109,676,773</u></u>

AVIAL, INC. RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	<u>2011</u>	<u>2010</u>
INVESTMENT INCOME		
Net (depreciation) appreciation in fair value of investments	\$ (1,205,321)	\$ 12,132,699
Dividends	1,183,738	821,350
Interest	1,712	3,606
Other income	148,250	-
Net investment income	<u>128,379</u>	<u>12,957,655</u>
EMPLOYER CONTRIBUTIONS	<u>13,000,000</u>	<u>21,400,000</u>
DEDUCTIONS		
Benefits paid to participants	3,640,962	3,453,452
Administrative and investment expenses	807,620	623,181
Total deductions	<u>4,448,582</u>	<u>4,076,633</u>
NET INCREASE	8,679,797	30,281,022
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>109,676,773</u>	<u>79,395,751</u>
End of year	<u>\$ 118,356,570</u>	<u>\$ 109,676,773</u>

Note 1 - Description of the Plan

The following description of the Aviall, Inc. Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General - The Plan was established effective January 1, 1994, in accordance with and subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan was created as a result of the spin-off by Ryder System, Inc. of its aviation segment to form Aviall, Inc. ("Aviall" or the "Company") as of December 7, 1993. All employees of Aviall who were also participants in the Ryder Retirement Plan were automatically enrolled in the Plan. On September 30, 2006, The Boeing Company ("Boeing") purchased Aviall and by resolution of the sponsoring Company's Board of Directors designated the Employee Benefit Plans Committee of Boeing as the Administrator of the Plan and delegated authority respecting investment, reinvestment, and management of the assets of the Plan to the Employee Benefits Investment Committee ("EBIC") of Boeing.

The Plan is a defined benefit plan covering all nonbargained exempt and nonexempt employees of the Company, except independent contractors, independent consultants, nonresident aliens, and leased employees. To be eligible for participation in the Plan, an employee must be at least 21 years of age and must have completed 1,000 hours of service in a 12-month consecutive period.

Benefits and Vesting - Pension benefits are generally determined based on years of service, compensation, and the participant's annual benefit accrual as defined in the Plan document. Participants become fully vested upon completion of five years of credited service and are eligible for normal retirement at age 65.

Participants may elect early retirement after attaining age 55 if 10 years of continuous service has been completed. Upon such election, the participant's benefits are decreased for each month the participant's age at early retirement precedes age 65. Employees may select the form of benefit payment from various actuarially equivalent annuity options.

Participants who are 100% vested and who are totally and permanently disabled are eligible for Plan disability benefits if they are actively employed at the time they suffered the disability, have reached age 45, and have accrued at least 15 years of continuous service.

If a vested participant dies prior to the payment of benefits from the Plan, then an eligible spouse is entitled to a Qualified Pre-retirement Survivor Annuity. Generally, the Qualified Pre-retirement Survivor Annuity is a monthly retirement income payable for the life of the spouse in an amount equal to 50% of the amount the vested participant would have received if the participant had survived to the earliest commencement date and elected to receive a benefit under the 50% joint and survivor annuity option. The amount of the death benefit will depend upon whether the participant was a current employee, former employee, or a retiree on the participant's date of death and whether the participant's death occurred before or after the participant was eligible for retirement under the Plan. Certain enhanced benefits are available to participants of record as of September 20, 2006 under change in control provisions.

Note 1 - Description of the Plan (Continued)

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 in amounts as determined by the Plan's independent actuary to meet the minimum statutory funding requirements of ERISA. The Company met the minimum funding requirements of ERISA for the years ended December 31, 2011 and 2010.

Although no contributions were required under ERISA after full consideration of the available plan credit balance, discretionary contributions of \$13,000,000 and \$21,400,000 were made for the years ended December 31, 2011 and 2010, respectively.

Plan Termination - Although it has not expressed any intention to do so, Boeing 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 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 thereunder, and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits and certain disability and 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. Some benefits may be fully or partially provided by the then existing assets and the PBGC guaranty while other benefits may not be provided at all.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting - The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Accumulated Benefits - The actuarial present value of accumulated plan benefits information in Note 4 is presented as of the beginning of the Plan year, as allowed by Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 960 *Plan Accounting - Defined Benefit Pension Plans*.

Note 2 - Summary of Significant Accounting Policies (Continued)

Risks and Uncertainties - The Plan utilizes various investments, including a money market fund, collective trust funds, and mutual funds. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with such investments, it is reasonably possible changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

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

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

Investments and Investment Income - Investments are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. The Plan's investments in money market and mutual funds are valued at quoted market prices as of the last trading day of the year. Investments in collective trust funds are valued based on the year-end unit value; unit values are determined by the issuer or third-party administrator by dividing the fair values of the total net assets at year-end by the outstanding units. The fair values of the total net assets are determined by the nature of the underlying investments. The underlying investments may include common and preferred stock, fixed income securities, over-the-counter derivatives, and other investments traded in markets that are not considered active. Underlying investments are valued based on quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis and dividends are recorded on the ex-dividend date. Net appreciation or depreciation in the fair value of investments consists of realized gains and losses and unrealized appreciation and depreciation on investments.

Payment of Benefits - Benefits are recorded when paid.

Expenses - Necessary and proper expenses of the Plan are paid from the Plan's assets, except for those expenses the Company is required by law or chooses to pay.

Note 2 - Summary of Significant Accounting Policies (Continued)

Adoption of New Accounting Guidance - Fair Value Measurements and Disclosures - In January 2010, the FASB issued Accounting Standards Update ("ASU") 2010-06, *Fair Value Measurements and Disclosures*, which amends ASC 820, *Fair Value Measurements and Disclosures*. The standard requires entities to disclose additional information regarding assets and liabilities that are transferred between Level 1 and 2 of the fair value hierarchy and to present information about purchases, sales, issuances and settlements on a gross basis related to Level 3 fair value measurements. Additionally, the standard clarified existing guidance regarding the level of disaggregation of fair value measurements and disclosures regarding the valuation techniques and inputs utilized in estimating Level 2 and Level 3 fair value measurements. The financial statements reflect the adoption of ASU No. 2010-06. The adoption of this new standard did not materially affect the financial statements.

In May 2011, the FASB issued ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS*, which amends ASC 820. ASU 2011-04 also requires the categorization by level for items that are only required to be disclosed at fair value and information about transfers between Level 1 and Level 2. In addition, the ASU provides guidance on measuring the fair value of financial instruments managed within a portfolio and the application of premiums and discounts on fair value measurements. The ASU requires additional disclosure for Level 3 measurements regarding the sensitivity of fair value to changes in unobservable inputs and any interrelationships between those inputs. The new guidance is effective for reporting periods beginning after December 15, 2011. The adoption will not have a material effect on the financial statements. Plan management has not determined the impact on the disclosures in the financial statements.

Subsequent Events - Subsequent events were evaluated through June 25, 2012, the date the financial statements were available to be issued.

Note 3 - Fair Value of Financial Assets and Financial Liabilities

ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 for financial assets and financial liabilities are described below:

- | | |
|----------------|--|
| Level 1 | Values are based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities. An active market is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. |
| Level 2 | Values are based on (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in nonactive markets; or (c) valuation models whose inputs are observable, directly or indirectly, for substantially the full term of the asset or liability. |

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 3 - Fair Value of Financial Assets and Financial Liabilities (Continued)

Level 3 Values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement.

As of December 31, 2011, investments of the Plan totaling \$105,380,605 were liquidated in preparation for transfer to The Boeing Company Pension Master Trust ("Master Trust") on January 3, 2012.

The following table sets forth by level within the fair value hierarchy a summary of investments by classes of assets and liabilities on the basis of the nature and risk of the investments measured at fair value on a recurring basis at December 31, 2010. As required by FASB ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Plan's policy is to recognize significant transfers between levels at the beginning of the reporting period.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2010
Mutual funds				
Growth funds	\$ 71,638,463	\$ -	\$ -	\$ 71,638,463
Fixed income funds	11,271,442	-	-	11,271,442
Collective trust funds				
Fixed income funds	-	11,243,741	-	11,243,741
Money market fund	1,608,657	-	-	1,608,657
	<u>\$ 84,518,562</u>	<u>\$ 11,243,741</u>	<u>\$ -</u>	<u>\$ 95,762,303</u>

Note 4 - Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments and lump-sum distributions 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 participants or their beneficiaries
2. Beneficiaries of deceased participants
3. Disabled participants
4. Active participants or their beneficiaries

The actuarial present value of accumulated plan benefits is determined by an independent actuary and is the sum of accumulated benefits adjusted to reflect the probability of payment (by means of decrements, such as for death, disability, termination or retirement) and the time value of money (through discounts for interest) between the valuation date and the expected date of payment.

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 4 - Actuarial Present Value of Accumulated Plan Benefits (Continued)

Significant actuarial assumptions underlying the actuarial computations in the 2011 and 2010 valuations were as follows:

Interest rate	8.50%
Retirement	Average age at retirement is 61 years
Mortality basis	RP2000 healthy mortality tables for males and females projected 15 years with AA Scale

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 ("PVAB").

The actuarial PVAB as of January 1, 2011 and 2010 is as follows:

	<u>2011</u>	<u>2010</u>
Vested benefits:		
Participants and beneficiaries currently receiving payments	\$ 30,536,848	\$ 27,445,517
Other participants	42,129,299	40,439,573
Total vested benefits	<u>72,666,147</u>	<u>67,885,090</u>
Nonvested benefits	<u>4,271,562</u>	<u>3,031,525</u>
Total actuarial PVAB	<u><u>\$ 76,937,709</u></u>	<u><u>\$ 70,916,615</u></u>

The changes in actuarial PVAB for the year ended January 1, 2011 are as follows:

Total actuarial PVAB at January 1, 2010	<u>\$ 70,916,615</u>
Additional benefits accumulated	2,518,072
Actuarial gains	(821,489)
Increase for interest due to decrease in the discount period	6,095,177
Benefits paid	(3,453,452)
Change of assumptions	1,682,786
Net increase	<u>6,021,094</u>
Total actuarial PVAB at January 1, 2011	<u><u>\$ 76,937,709</u></u>

Change of assumptions represents the effect of updates in the mortality tables for both disabled and non-disabled mortality to the separate Internal Revenue Service prescribed annuitant and non-annuitant tables with generational projection of assumed mortality improvements.

Note 5 - Plan Amendment

Effective December 31, 2011, investments of the Plan totaling \$105,356,570 were liquidated in preparation for transfer to the Master Trust on January 3, 2012, as authorized by the EBIC on June 30, 2011. As a result of this transfer, the Plan's provision on administrative expenses is being modified to conform to this same provision in other Boeing pension plans. In addition, the amendment clarifies that involuntary distributions (for accounts between \$1,000 and \$5,000) will not be made from the Plan until the participant specifies whether the payment should be distributed in the form of cash or a direct rollover.

Note 6 - Information Certified by the Trustee

As a result of the Plan administrator's election of the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under ERISA, the following unaudited information relating to investments as of and for the year ended December 31, 2010, included in the financial statements, was prepared by Wells Fargo Bank N.A., (the "Trustee") and furnished to the plan administrator. The plan administrator has obtained certifications from the Trustee that such information is complete and accurate. This information has not been audited by the Plan's independent auditors as instructed by the plan administrator.

- Fair value of investments as indicated on the statement of net assets available for benefits as of December 31, 2010.
- Net appreciation or depreciation in fair value of investments, dividends, and interest as indicated on the statement of changes in net assets available for plan benefits for the year ended December 31, 2010.

Note 7 - Investments

The Plan's investments, including gains and losses on investments bought and sold as well as held during the year, (depreciated) appreciated in value by (\$1,205,321) and \$12,132,699 for the years ended December 31, 2011 and 2010, respectively, as follows:

	<u>2011</u>	<u>2010</u>
Mutual funds	\$ 1,101,301	\$ 11,290,029
Collective trust funds	<u>(2,306,622)</u>	<u>842,670</u>
Total	<u><u>\$ (1,205,321)</u></u>	<u><u>\$ 12,132,699</u></u>

AVIALL, INC. RETIREMENT PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2011 AND 2010

Note 7 - Investments (Continued)

The fair value of investments that represent 5% or more of the Plan's net assets available for benefits as of December 31, 2010, are as follows:

Wells Fargo Advantage Growth Fund	\$ 12,580,141
Mainstay Large Cap Growth I Fund	\$ 11,709,676
Wells Fargo Advantage Intrinsic Value Fund	\$ 10,185,927
Wells Fargo Advantage Small Cap Opportunities Fund	\$ 9,660,622
MFS Value Fund	\$ 9,646,217
JPMorgan Small Cap Equity Fund	\$ 9,304,505
Wells Fargo Advantage Total Return Bond Fund	\$ 5,684,427
Metropolitan West Total Return Bond Fund	\$ 5,635,863
PIMCO Total Return Fund	\$ 5,635,579
Wells Fargo Liability Driven Solution I Fund	\$ 5,559,314

Note 8 - Related-Party Transactions

Certain assets were invested in funds sponsored by the Trustee and, therefore, these transactions qualify as party-in-interest transactions. Fees paid to the Trustee were \$230,061 and \$194,418 for the years ended December 31, 2011 and 2010, respectively.

Note 9 - Tax Status

The Internal Revenue Service informed the Company by a letter dated February 14, 2011, that the Plan is designed in accordance with the applicable sections of the Internal Revenue Code ("IRC"). The Company and Plan management believe the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC and the Plan and related trust continue to be tax exempt.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan had taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator analyzed the tax positions taken by the Plan and concluded that as of December 31, 2011, there were no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes that the Plan is no longer subject to income tax examinations for years prior to 2005.

SUPPLEMENTAL SCHEDULE

AVIALL, INC. RETIREMENT PLAN**EIN: 65-0433083****PLAN #: 001****YEAR ENDED DECEMBER 31, 2011****Schedule H, Line 4(j) - Schedule of Reportable Transactions**

Identity of Party Involved	Description of Asset	Number of Purchases or Sales	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Single Transactions							
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	1	\$ 14,000,000	\$ -	\$ 14,000,000	\$ 14,000,000	\$ -
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	1	-	11,700,000	11,700,000	11,700,000	-
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	1	103,037,564	-	103,037,564	103,037,564	-
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	1	-	105,307,187	105,307,187	105,307,187	-
Wells Fargo	JPMorgan Small Cap Equity Fund	1	-	8,007,309	7,007,490	8,007,309	999,819
Wells Fargo	MFS Value Fund	1	-	12,040,846	12,199,022	12,040,846	(158,176)
Wells Fargo	Mainstay Large Cap Growth I Fund	1	-	12,465,429	11,572,259	12,465,429	893,170
Wells Fargo	Metropolitan West Total Return Bond Fund	1	-	7,999,794	7,703,300	7,999,794	296,494
Wells Fargo	PIMCO Total Return Fund	1	-	7,878,476	7,821,111	7,878,476	57,365
Wells Fargo	T Rowe Price Equity Income Fund	1	9,300,000	-	9,300,000	9,300,000	-
Wells Fargo	T Rowe Price Equity Income Fund	1	-	11,561,471	12,111,431	11,561,471	(549,960)
Wells Fargo	Wells Fargo Advantage Small Cap Opportunities Fund	1	-	7,329,308	7,193,484	7,329,308	135,824
Wells Fargo	Wells Fargo Advantage Intrinsic Value Fund	1	-	9,225,037	7,629,793	9,225,037	1,595,244
Wells Fargo	Wells Fargo Advantage Total Return Bond Fund	1	-	8,378,701	6,861,014	8,378,701	1,517,687
Wells Fargo	Wells Fargo Liability Driven Solution I Fund	1	-	5,966,342	5,245,000	5,966,342	721,342
Wells Fargo	Wells Fargo Advantage Growth Fund	1	-	13,469,950	9,665,332	13,469,950	3,804,618
Series of Transactions							
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	59	119,909,465	-	119,909,465	119,909,465	-
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	81	-	121,518,177	121,518,177	121,518,177	-
Wells Fargo	Harbor International Fund	3	-	4,996,544	5,249,836	4,996,544	(253,292)
Wells Fargo	JPMorgan Small Cap Equity Fund	2	-	11,007,309	9,313,989	11,007,309	1,693,320
Wells Fargo	Mainstay Large Cap Growth I Fund	2	-	13,965,429	12,791,006	13,965,429	1,174,423
Wells Fargo	Metropolitan West Total Return Bond Fund	2	-	8,999,794	8,658,737	8,999,794	341,057
Wells Fargo	PIMCO Total Return Fund	2	-	8,878,476	8,809,760	8,878,476	68,716
Wells Fargo	T Rowe Price Equity Income Fund	3	-	11,900,000	11,900,000	11,900,000	-
Wells Fargo	Wells Fargo Advantage Small Cap Opportunities Fund	2	-	10,329,308	9,728,354	10,329,308	600,954
Wells Fargo	Wells Fargo Advantage Intrinsic Value Fund	2	-	10,425,037	8,576,863	10,425,037	1,848,174
Wells Fargo	Wells Fargo Advantage Growth Fund	3	-	15,969,950	11,196,495	15,969,950	4,773,455

Schedule SB, Line 26 – Schedule of Active Participant Data

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc., a wholly owned subsidiary of the Boeing Company

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	3		17		0		0		0		0		0		0		0		0	
25 - 29	4		62	46,578	16		1		0		0		0		0		0		0	
30 - 34	2		88	55,884	52	67,176	11		1		0		0		0		0		0	
35 - 39	4		79	61,941	41	71,745	20	66,325	3		0		0		0		0		0	
40 - 44	2		72	69,504	51	66,775	33	67,418	10		6		2		0		0		0	
45 - 49	3		64	60,075	36	77,935	31	83,390	11		27	87,144	4		1		0		0	
50 - 54	0		59	59,211	39	82,488	33	83,724	11		19		17		7		1		0	
55 - 59	2		31		20	62,375	12		8		12		10		8		4		0	
60 - 64	0		13		14		9		2		13		6		3		3		1	
65 - 69	0		1		3		3		3		3		3		3		0		2	
70 & Over	0		0		0		1		0		2		0		0		0		0	

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

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc., a wholly owned subsidiary of the Boeing Company

Discount Rates

Current plan year PPA effective interest rate: 6.33%

3-Segment Rates

Applicable month: Four months prior to the valuation date (based on September rates)

Assumed Cost of Living Adjustments

None.

Inclusion Date

The valuation date coincident with or next following the date on which the employee becomes a participant.

Plan-related Expenses

The amount included this year for plan-related expenses is \$694,000.

Mortality

Separate rates for non-annuitants based on RP-2000 "Employees" table without collar or amount adjustments with generational projection and annuitants based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments with generational projection.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age are shown below.

Percentage retiring during the year	
Age	Retirement Rate
55	10.0
56	5.0
57	5.0
58	5.0
59	5.0
60	10.0
61	5.0
62	50.0
63	5.0
64	5.0
65	100.0

Retirement rates are only applied to participants who are eligible for retirement.

In order to determine the Schedule SB retirement age, the above ages were weighted by the probability of surviving earlier age retirement decrements and retiring in the absence of any other decrements.

Disability

The rates at which participants become disabled by age are shown below:

Percentage becoming disabled during the year	
Age	Disability Rate
20	0.14
25	0.15
30	0.16
35	0.19
40	0.30
45	0.45
50	0.69
55	1.19
60	1.80

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Compensation Increases

For purposes of determining the target normal cost, compensation is assumed to increase by 4.50% during the plan year. For purposes of determining the additional Funding Target for maximum deductible contribution purposes, compensation is assumed to increase by 4.50% per annum.

Future Increases in Social Security

Not applicable.

Future Increases in Maximum Benefits and Plan Compensation Limitations

Accrued benefits projected to be paid in future years are limited to the maximum presently allowed under IRC §415. Plan compensation is limited to the maximum presently allowed under IRC §401(a)(17). No provision is made for future increases in the maximum annual benefit or compensation limit.

Termination not Due to Disability, Retirement or Mortality

Rates are shown per 100 employees		
Percentage leaving during the year		
Attained Age	Males	Females
20	15.0	15.0
25	12.0	15.0
30	10.0	12.0
35	10.0	10.0
40	10.0	10.0
45	10.0	10.0
50	9.0	10.0
55	4.0	9.0
60	0.0	4.0

Form of Payment

Participants are assumed to elect the normal form.

Marriage

For purposes of valuing the pre-retirement surviving spouse's benefit, 80% of eligible participants are assumed to be married and male spouses are assumed to be 3 years older than female spouses.

Employees

It was assumed there will be no new or rehired employees.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Plan Compensation

Compensation assumed paid in the current plan year beginning on the valuation date is the current annual rate of pay increased by the average variable compensation rate for the prior three years.

The amount shown includes compensation for those employees whose age on the valuation date equals or exceeds the ultimate assumed retirement age.

Actuarial Value of Assets

Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2010 plan year). The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Participant Data

Employee data was supplied by Aviall, Inc. as of the census date. Data on other participants was already in our files, since we provide administrative services for the plan.

Tax Policy

The actuarial valuation performed for the plan year ending December 31, 2011 is used to determine the maximum deductible contribution for the tax year ending December 31, 2011.

Benefits not Included in Valuation

All benefits described in the Plan Provisions section of this report were valued.

At-Risk Assumptions

For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (cont.)

Funding Target

Present value of accrued benefits.

Target Normal Cost

Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year.

Changes in Assumptions and Methods Since Last Actuarial Valuation

The mortality tables for both disabled and non-disabled mortality were updated to the separate IRS prescribed annuitant and non-annuitant tables with generational projection of assumed mortality improvements as prescribed in IRC 430(h)(3).

The assumed plan-related expenses added to the target normal cost were changed \$540,000 for 2010 to \$694,000 for 2011.

PBGC Premium Funding Target

For purposes of determining the PBGC Premium Funding Target, the Alternative Premium Funding Target was determined using the assumptions described above. The alternative method, once elected, cannot be revoked for five years (or until the 2014 plan year).

Schedule SB, Line 25 – Change in Method

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc., a wholly owned subsidiary of the Boeing Company

Changes in Assumptions and Methods Since Last Actuarial Valuation

The mortality tables for both disabled and non-disabled mortality were updated to the separate IRS prescribed annuitant and non-annuitant tables with generational projection of assumed mortality improvements as prescribed in IRC 430(h)(3).

Schedule SB - Statement by Enrolled Actuary

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc., a wholly owned subsidiary of the Boeing Company

Valuation Date January 1, 2011

Enrolled Actuary Benjamin P. Hagan

Enrollment Number 11-07189

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Schedule SB, Part V – Summary of Plan Provisions

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc., a wholly owned subsidiary of the Boeing Company

Effective Date and Most Recent Amendment

The plan was originally effective January 1, 1994. The last amendment reflected herein is Amendment Number 19.

Plan Year

The twelve-month period ending December 31, 2011.

Coverage and Participation

All employees are eligible to participate under the plan on the first January 1 or July 1 coincident with or next following the attainment of age 21 and the completion of one year of service. Employee means any person on the payroll whose wages are subject to withholding for the purposes of federal income tax, except that the following are excluded:

- Union employees, unless they have negotiated for coverage in this plan
- Nonresident aliens with no income from U.S. sources
- leased employees

Note: If an employee meets the age requirement but fails to complete 1,000 hours of service during the first year of employment, participation will begin on the January 1 following the plan year in which 1,000 hours of service are completed.

Continuous Service

Total elapsed time from date of hire to date of termination.

Vesting Service

One year of vesting service is credited for each plan year with 1,000 or more hours of service.

Due to the provisions of Section 9.2 of the plan, all plan participants as of September 20, 2006, became 100% vested as a result of the Change of Control.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Basic Compensation

A participant's basic compensation for a particular year is the portion of total wages subject to withholding for purposes of federal income taxes, including regular pay, overtime pay, vacation pay, cost-of-living allowances, bonuses, commissions, and certain severance pay. Compensation is limited to \$200,000 (indexed beginning in 2003) as required and does not include the value of restricted stock.

Due to the provisions of Section 9.2 of the plan, all plan participants as of September 20, 2006, shall include total cash severance payments in Basic Compensation.

Normal Retirement Benefit

Normal Retirement Date: The first of the month coincident with or next following attainment of age 65.

Benefit Amount: The plan has a career average formula with the annual benefit accrual determined as follows:

1.45% times Basic Compensation up to \$15,600
plus
1.85% times Basic Compensation in excess of \$15,600.

Minimum Benefit: The minimum annual benefit is \$2,250.

Additional Benefits: Amendment Thirteen to the plan specifies a schedule of additional benefits payable to certain participants.

Normal Form of Retirement Income: Life only annuity payable monthly.

Late Retirement

If retirement occurs after the normal retirement date, the late retirement income will be the benefit calculated using the above formula with accruals through the late retirement date.

Accrued Benefit

The participant's accrued benefit at any given date is determined under the formula shown above.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Early Retirement Benefit

Eligibility: Age 55 with 10 years of continuous service.

Benefit Amount: Accrued benefit as of early retirement date multiplied by the early retirement factor shown below:

Age	Factor
65	100.0%
64	100.0%
63	100.0%
62	100.0%
61	91.7%
60	83.3%
59	79.2%
58	75.0%
57	70.8%
56	66.7%
55	62.5%

Immediate Disability Benefit

Eligibility: Total and permanent disability of participant prior to normal retirement date and age 45 with 15 years of continuous service.

Benefit Amount: Accrued benefit as of disability retirement date. The benefit is not reduced for early commencement. In lieu of this benefit, a participant may elect the deferred disability benefit described below.

Deferred Disability Benefit

Eligibility: 10 years of continuous service. (However, participants may not receive both an immediate and a deferred disability benefit. If eligible for both, one or the other must be elected.)

Benefit Commencement: Normal retirement date.

Benefit Amount: The benefit shall be calculated assuming that the participant's service and monthly rate of basic compensation as of the date of disability continued to normal retirement date.

Death of Disabled Participant Prior to Normal Retirement Date: Prior to normal retirement date, disabled participants are entitled to a death benefit identical to the one for active employees. This benefit is determined as if the disabled participant had remained in service until the date of death and the monthly rate of basic compensation as of the date of disability continued unchanged.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Vested Benefits Upon Termination of Service

Vesting: A participant is 100% vested upon completion of 5 years of vesting service. However, all participants become 100% vested upon reaching age 65.

Termination Benefit: The termination benefit is equal to the vested accrued benefit, payable in the normal form, commencing at normal retirement date. Optionally, participants with 10 years of continuous service may elect to receive a reduced benefit commencing prior to normal retirement date.

Change of Control Factor: Due to the Change of Control provisions of Section 9.2 of the plan, all participants who have attained age 45 or accrued 10 years of Continuous Service as of September 20, 2006, shall be entitled to receive enhanced early retirement factors at any time after termination and after reaching age 55. The reduction factors for early commencement are as follows:

Age	Factor	Change of Control Factor
65	100.0%	100.0%
64	93.3%	100.0%
63	86.7%	100.0%
62	80.0%	100.0%
61	73.3%	91.7%
60	66.7%	83.3%
59	63.3%	79.2%
58	60.0%	75.0%
57	56.7%	70.8%
56	53.3%	66.7%
55	50.0%	62.5%

Death of Terminated Vested Participant Prior to Commencement: The participant's spouse will receive a monthly retirement income payable for life in an amount equal to 50% of the amount the participant would have received if the participant had survived to the earliest commencement date and elected to receive a benefit under the qualified joint and 50% contingent option commencing at that date.

Due to the Change of Control provisions of Section 9.2 of the plan, all participants who have attained age 45 or has accrued 10 years of Continuous Service as of September 20, 2006, shall be considered to have met the service requirement for early retirement for the purpose of pre-retirement death benefits.

Death Benefits for Participants in Active Service

Eligibility: Married with 5 years of vesting service.

Benefit Amount: The participant's spouse will receive a monthly retirement income payable for life in an amount equal to 50% of the amount the participant would have received if the participant had survived to the earliest commencement date and elected to receive a benefit under the qualified joint and 50% contingent option commencing at that date.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Due to the Change of Control provisions of Section 9.2 of the plan, all participants who have attained age 45 or has accrued 10 years of Continuous Service as of September 20, 2006, shall be considered to have met the service requirement for early retirement for the purpose of pre-retirement death benefits.

Optional Forms of Retirement Income in Lieu of Normal Form

The plan provides optional payment forms, including the qualified joint and contingent benefit for married employees, on an actuarially equivalent basis. Actuarial equivalence for this purpose is based on a 4.75% interest rate and the 1951 Group Annuity Mortality Table projected by Scale C to 1965 with a weighting of male and female factors by 75% and 25%, respectively. Only small lump sums (under \$5,000) are permitted and the lump sum will be no less than the lump sum determined under IRC 417(e).

Coordination with Ryder System, Inc. (RSI) Retirement Plan

The benefits under this plan include the benefits earned under the RSI Retirement Plan prior to December 8, 1993, and benefits under this plan are also offset by any benefits payable under that plan, assuming that the participant elects to begin his RSI benefits at the later of (i) the date the Aviall benefits commence, and (ii) the earliest date the RSI benefits can commence. Ryder determines eligibility for early retirement and for early commencement of termination benefits based on the participant's age and service as of December 7, 1993.

Plan Participants' Contributions

They are not required or permitted.

Special Provisions for Top-Heavy Plans

Not applicable; the plan is not top-heavy.

Changes in Plan Provisions since Last Actuarial Valuation

None.

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

Pension Benefit Guaranty Corporation

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

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

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

OMB No. 1210-0110

2011**This Form is Open to Public
Inspection**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

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

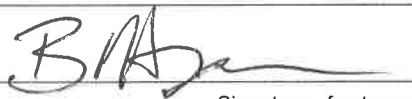
A Name of plan Aviall, Inc. Retirement Plan	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF AVIALL, INC. A WHOLLY OWNED SUB OF THE BOEING CO	D Employer Identification Number (EIN) 65-0433083
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2011</u>		
2 Assets:		
a Market value	2a	109,281,677
b Actuarial value	2b	100,192,480
3 Funding target/participant count breakdown:	(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a 969	36,382,597
b For terminated vested participants.....	3b 1,007	17,544,022
c For active participants:		
(1) Non-vested benefits.....	3c(1)	6,214,826
(2) Vested benefits	3c(2)	39,508,233
(3) Total active.....	3c(3) 1,138	45,723,059
d Total.....	3d 3,114	99,649,678
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐		
a Funding target disregarding prescribed at-risk assumptions	4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	6.33 %
6 Target normal cost	6	5,181,551

Statement by Enrolled Actuary

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

**SIGN
HERE**

Signature of actuary

Benjamin P. Hagan

Type or print name of actuary

Towers Watson Delaware Inc.

500 N. Akard Street, Suite 4100

Firm name

Dallas

TX 75201

Address of the firm

7/30/2012

Date

11-07189

Most recent enrollment number

(214) 530-4200

Telephone number (including area code)

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

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

Schedule SB (Form 5500) 2011
v.012611

Part II Beginning of year carryover and prefunding balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	13,841,332	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	724,440	0
9	Amount remaining (line 7 minus line 8).....	13,116,892	0
10	Interest on line 9 using prior year's actual return of <u>16.04</u> %.....	2,103,818	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		12,083,863
b	Interest on (a) using prior year's effective rate of <u>6.70</u> % except as otherwise provided (see instructions).....		809,619
c	Total available at beginning of current plan year to add to prefunding balance.....		12,893,482
d	Portion of (c) to be added to prefunding balance.....		0
12	Other reductions in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	15,220,710	0

Part III Funding percentages			
14	Funding target attainment percentage	14	85.27 %
15	Adjusted funding target attainment percentage	15	100.54 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	96.09 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....	17	%

Part IV Contributions and liquidity shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/13/2012	13,000,000				
Totals •			18(b)	13,000,000	18(c)
					0

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

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	
b Contributions made to avoid restrictions adjusted to valuation date.....	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	12,015,312

20 Quarterly contributions and liquidity shortfalls:

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

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

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

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

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

21 Discount rate:			
a Segment rates:	1st segment: 3.78 %	2nd segment: 6.31 %	3rd segment: 6.57 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 61
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	5,181,551	
b Excess assets, if applicable, but not greater than 31a	31b	0	
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment.....			0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount.....	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	5,181,551	
		Carryover balance	Prefunding balance
35 Balances elected for use to offset funding requirement		3,963,608	0
36 Additional cash requirement (line 34 minus line 35)	36	1,217,943	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	12,015,312	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	10,797,369	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	3,963,608	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:			
a Schedule elected		☐ 2 plus 7 years	☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made		☐ 2008	☐ 2009 ☐ 2010 ☐ 2011
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

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

Plan Name: Aviall, Inc. Retirement Plan

EIN/PN: 65-0433083/001

Plan Sponsor: Aviall, Inc., a wholly owned subsidiary of the Boeing Company

See Part V for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

x	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
50	0.00	1,000,000	1.000000	0.000000	0.000000
51	0.00	1,000,000	1.000000	0.000000	0.000000
52	0.00	1,000,000	1.000000	0.000000	0.000000
53	0.00	1,000,000	1.000000	0.000000	0.000000
54	0.00	1,000,000	1.000000	0.000000	0.000000
55	0.10	1,000,000	1.000000	0.100000	5.500000
56	0.05	900,000	0.900000	0.045000	2.520000
57	0.05	855,000	0.855000	0.042750	2.436750
58	0.05	812,250	0.812250	0.040613	2.355525
59	0.05	771,638	0.771638	0.038582	2.276331
60	0.10	733,056	0.733056	0.073306	4.398334
61	0.05	659,750	0.659750	0.032988	2.012238
62	0.50	626,763	0.626763	0.313381	19.429639
63	0.05	313,381	0.313381	0.015669	0.987151
64	0.05	297,712	0.297712	0.014886	0.952679
65	1.00	282,827	0.282827	0.282827	18.383729

Average age at retirement

61.252376

Rounded for Schedule SB

61

2011 FORM 5500 ATTACHMENT
SCHEDULE H, PART IV - 4I - FINANCIAL INFORMATION

Plan Sponsor: Aviall, INC. A wholly owned subsidiary of The Boeing Company
Sponsor's EIN: 65-0433083
Plan Name: Aviall, Inc. Retirement Plan
Plan Number: 001

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES
AS OF DECEMBER 31, 2011

(a) Party-in- Interest	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description	(d) Cost	(e) Current Value
*	Wells Fargo Bank	Cash	<u>\$ 105,380,751</u>	<u>\$ 105,380,751</u>

* Represents an investment with a party-in-interest.

2010 FORM 5500 ATTACHMENT**SCHEDULE H, PART IV - 4j - 5% REPORTABLE TRANSACTIONS**

Plan Sponsor: Aviall, INC. A wholly owned subsidiary of The Boeing Company

Sponsor's EIN: 65-0433083

Plan Name: Aviall, Inc. Retirement Plan

Plan Number: 001

SCHEDULE OF REPORTABLE TRANSACTIONS

AS OF DECEMBER 31, 2010

Identity of Party Involved	Description of Asset	Number of Purchases or Sales	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction Date	Net Gain (Loss)
Single Transactions:							
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	1	\$ -	\$ 5,000,487	\$ 5,000,487	\$ 5,000,487	\$ -
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	1	4,700,000	-	4,700,000	4,700,000	-
Wells Fargo	Wells Fargo Liability Driven Solution I Fund	1	5,000,000	-	5,000,000	5,000,000	-
Series of Transactions:							
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	54	14,442,554	-	14,442,554	14,442,554	-
Wells Fargo	Wells Fargo Advantage Cash Investment Fund	80	-	14,885,057	14,885,057	14,885,057	-
Wells Fargo	American Funds EuroPacific Growth Fund	3	720,611	-	720,611	720,611	-
Wells Fargo	American Funds EuroPacific Growth Fund	2	-	4,300,000	4,604,933	4,300,000	(304,933)
Wells Fargo	Harbor Fund International Fund	3	733,908	-	733,908	733,908	-
Wells Fargo	Harbor Fund International Fund	2	-	4,300,000	4,722,903	4,300,000	(422,903)
Wells Fargo	Wells Fargo Liability Driven Solution I Fund	2	5,245,000	-	5,245,000	5,245,000	-
Wells Fargo	MFS Value Fund	7	2,264,397	-	2,264,397	2,264,397	-
Wells Fargo	MFS Value Fund	1	-	2,000,000	2,233,741	2,000,000	(233,741)
Wells Fargo	PIMCO Total Return Fund	16	3,571,448	-	3,571,448	3,571,448	-
Wells Fargo	PIMCO Total Return Fund	2	-	4,200,000	3,952,354	4,200,000	247,646
Wells Fargo	Wells Fargo Advantage Total Return Bond Fund	3	2,245,000	-	2,245,000	2,245,000	-
Wells Fargo	Wells Fargo Advantage Total Return Bond Fund	2	-	3,300,000	2,714,645	3,300,000	585,355