

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ► Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☒ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>DRC DEFINED BENEFIT PENSION PLAN</u>	1b Three-digit plan number (PN) ►	<u>002</u>	
	1c Effective date of plan	<u>01/01/1980</u>	
2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.) <u>DYNAMICS RESEARCH CORPORATION</u> <u>2 TECH DRIVE</u> <u>ANDOVER, MA 01810</u>	2b Employer Identification Number (EIN) <u>04-2211809</u>	2c Sponsor's telephone number <u>978-475-9090</u>	2d Business code (see instructions) <u>541990</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	<u>Filed with authorized/valid electronic signature.</u>	<u>10/09/2012</u>	<u>GERALD CARWILE</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2010)
v.092307.1

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")

DYNAMICS RESEARCH CORPORATION

2 TECH DRIVE
ANDOVER, MA 01810**3b** Administrator's EIN

04-2211809

3c Administrator's telephone number

978-475-9090

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**

1738

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**

218

b Retired or separated participants receiving benefits.....**6b**

537

c Other retired or separated participants entitled to future benefits.....**6c**

860

d Subtotal. Add lines **6a**, **6b**, and **6c**.....**6d**

1615

e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....**6e**

103

f Total. Add lines **6d** and **6e**.....**6f**

1718

g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....**6g****h** Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....**6h**

0

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

1G 1I

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:**9a** Plan funding arrangement (check all that apply)(1) ☐

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

Trust

(4) ☐

General assets of the sponsor

9b Plan benefit arrangement (check all that apply)(1) ☐

Insurance

(2) ☐

Code section 412(e)(3) insurance contracts

(3) ☒

Trust

(4) ☐

General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)**a Pension Schedules**(1) ☒**R** (Retirement Plan Information)(2) ☐**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary(3) ☒**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary**b General Schedules**(1) ☒**H** (Financial Information)(2) ☐**I** (Financial Information - Small Plan)(3) ☐**A** (Insurance Information)(4) ☒**C** (Service Provider Information)(5) ☐**D** (DFE/Participating Plan Information)(6) ☐**G** (Financial Transaction Schedules)

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

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

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

A Name of plan <u>DRC DEFINED BENEFIT PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>DYNAMICS RESEARCH CORPORATION</u>	D Employer Identification Number (EIN) <u>04-2211809</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2010</u>
2	Assets:
a	Market value 2a <u>56898925</u>
b	Actuarial value 2b <u>59314551</u>
3	Funding target/participant count breakdown
	(1) Number of participants (2) Funding Target
a	For retired participants and beneficiaries receiving payment 3a <u>604</u> <u>35709329</u>
b	For terminated vested participants 3b <u>850</u> <u>25534386</u>
c	For active participants:
(1)	Non-vested benefits 3c(1) <u>70884</u>
(2)	Vested benefits 3c(2) <u>7487951</u>
(3)	Total active 3c(3) <u>284</u> <u>7558835</u>
d	Total 3d <u>1738</u> <u>68802550</u>
4	If the plan is at-risk, check the box and complete items (a) and (b) ☐
a	Funding target disregarding prescribed at-risk assumptions 4a
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor 4b
5	Effective interest rate 5 <u>6.64</u> %
6	Target normal cost 6 <u>68317</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>09/30/2011</u>
Signature of actuary	Date
<u>NICOLE J. DEVOE</u>	<u>11-06880</u>
Type or print name of actuary	Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>	<u>617-638-3690</u>
Firm name	Telephone number (including area code)
<u>THE PRUDENTIAL TOWER</u> <u>800 BOYLSTON STREET</u> <u>BOSTON, MA 02199-8103</u>	
Address of the firm	

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

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

Schedule SB (Form 5500) 2010
v.092308.1

Part II Beginning of year carryover and prefunding balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8 Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9 Amount remaining (Item 7 minus item 8).....	0	0
10 Interest on item 9 using prior year's actual return of <u>22.19</u> %		
11 Prior year's excess contributions to be added to prefunding balance:		
a Excess contributions (Item 38 from prior year)		2488118
b Interest on (a) using prior year's effective rate of <u>8.20</u> %		204026
c Total available at beginning of current plan year to add to prefunding balance		2692144
d Portion of (c) to be added to prefunding balance.....		2692144
12 Reduction in balances due to elections or deemed elections.....	0	0
13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	0	2692144

Part III Funding percentages		
14 Funding target attainment percentage.....	14	82.29 %
15 Adjusted funding target attainment percentage.....	15	82.29 %
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	90.32 %
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
04/15/2010	111000				
07/01/2010	222000				
01/07/2011	3500000				
04/04/2011	350000				
			Totals ►	18(b)	4183000
				18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contribution from prior years.....	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	3925405
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	(4) 4th
0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 62
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 contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	68317
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	9428041	1629365
b Waiver amortization installment		
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33)	34	1697682
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	1373743
36 Additional cash requirement (item 34 minus item 35).....	36	323939
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	3925405
38 Interest-adjusted excess contributions for current year (see instructions).....	38	3601466
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

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

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

A Name of plan DRC DEFINED BENEFIT PENSION PLAN	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 DYNAMICS RESEARCH CORPORATION	D Employer Identification Number (EIN) 04-2211809

Part I

Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

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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)

MORGAN STANLEY SMITH BARNEY

13-2919773

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGEMENT	273557	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FIRST STATE TRUST COMPANY

13-3124172

(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	TRUSTEE	66031	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

a Name: MICHAEL A. HLUSKA	b EIN: 53-0181291
c Position: ENROLLED ACTUARY	
d Address: TOWERS WATSON 800 BOYLSTON STREET BOSTON, MA 02199-8103	e Telephone: 617-638-3817
Explanation: SAME COMPANY, CHANGE IN THE ACTUARY WHO WAS SIGNING SCHEDULE SB. REASSIGNMENT OF RESPONSIBILITIES WITHIN TOWERS WATSON	

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 H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2010 This Form is Open to Public Inspection
For calendar plan year 2010 or fiscal plan year beginning <u>01/01/2010</u> and ending <u>12/31/2010</u>		
A Name of plan <u>DRC DEFINED BENEFIT PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DYNAMICS RESEARCH CORPORATION</u>	D Employer Identification Number (EIN) <u>04-2211809</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a	-140574	55427
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	3345000	3850000
	(2) Participant contributions	1b(2)		
	(3) Other	1b(3)	259803	358680
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2151543	4227025
	(2) U.S. Government securities	1c(2)	6400271	8324752
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other	1c(3)(B)	9117198	9626363
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)	241632	141489
	(B) Common	1c(4)(B)	35697015	36994119
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)		
	(9) Value of interest in common/collective trusts	1c(9)		
	(10) Value of interest in pooled separate accounts	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(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)		
	(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	57071888	63577855

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	57071888	63577855
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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)	4183000	
(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)		4183000

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

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1792	
(B) U.S. Government securities	2b(1)(B)	211032	
(C) Corporate debt instruments	2b(1)(C)	579554	
(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)		792378

(2) Dividends: (A) Preferred stock	2b(2)(A)	12687	
(B) Common stock	2b(2)(B)	258549	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	685780	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		957016

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	48544020	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	48018618	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		525402

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)	2823101	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		2823101
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(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)		2224556
c Other income.....	2c		-968984
d Total income. Add all income amounts in column (b) and enter total.....	2d		10536469

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3682864	
(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)		3682864
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)	66031	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	273557	
(4) Other	2i(4)	8050	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		347638
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		4030502

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		6505967
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: MFA, LLP

(2) EIN: 04-3077056

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		500000
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.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)

5b(2) EIN(s)

5b(3) PN(s)

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

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2010</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010		
A Name of plan DRC DEFINED BENEFIT PENSION PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 DYNAMICS RESEARCH CORPORATION		D Employer Identification Number (EIN) 04-2211809
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.....		10
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		312
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☒ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.		
Schedule R (Form 5500) 2010 v.092308.1		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents)

(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: 51% Investment-Grade Debt: 30% High-Yield Debt: 0% Real Estate: 5% Other: 14%

- 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): WEIGHTED AVERAGE MATURITY



MOODY, FAMIGLIETTI & ANDRONICO
Certified Public Accountants & Consultants

To the Pension Committee of the
Dynamics Research Corporation
Defined Benefit Pension Plan
Andover, Massachusetts

INDEPENDENT AUDITOR'S REPORT

We were engaged to audit the accompanying statements of net assets available for plan benefits of the Dynamics Research Corporation Defined Benefit Pension Plan (the "Plan") as of December 31, 2010 and 2009, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2010, and the supplemental schedule of assets held for investment purposes as of December 31, 2010 and the supplemental schedule of reportable transactions for the year ended December 31, 2010. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. These financial statements and supplemental schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by First State Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedules taken as a whole. The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the 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 ERISA.

Moody, Famiglietti & Andronico, LLP

Moody, Famiglietti & Andronico, LLP
September 30, 2011

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2010

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	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	0.05	1,000,000	1.000000	0.050000	2.750000
56	0.05	950,000	0.950000	0.047500	2.660000
57	0.05	902,500	0.902500	0.045125	2.572125
58	0.05	857,375	0.857375	0.042869	2.486388
59	0.05	814,506	0.814506	0.040725	2.402793
60	0.10	773,781	0.773781	0.077378	4.642686
61	0.10	696,403	0.696403	0.069640	4.248057
62	0.15	626,763	0.626763	0.094014	5.828892
63	0.15	532,748	0.532748	0.079912	5.034470
64	0.15	452,836	0.452836	0.067925	4.347225
65	1.00	384,911	0.384911	0.384911	25.019186

Average age at retirement

61.991822

Rounded for Schedule SB line 22

==>
62 SCHB_WARA

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
 EIN / PN: 04-2211809/002
 Plan Sponsor: Dynamics Research Corporation
 Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Plan Sponsor

Dynamics Research Corporation

Discount Rates

Current plan year PPA effective interest rate: 6.64%

Prior plan year PPA effective interest rate: 8.20%

3-Segment Rates

Applicable month: September

Transition election: No

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. Participation in this plan is frozen.

Plan-related Expenses

The amount included this year for plan-related expenses is \$ 68,317.

Mortality

For all participants: The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
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Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

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 and gender are shown below.

Percentage retiring during the year		
Age	Males	Females
55-59	5.00%	5.00%
60-61	10.00%	10.00%
62-64	15.00%	15.00%
65	100.00%	100.00%

Compensation Increases

Not Applicable – Frozen Plan.

Future Increases in Social Security

Not Applicable – Frozen Plan.

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. For the purposes of determining the additional funding target for maximum deductible contribution purposes, maximum annual benefit and compensation limits are assumed to increase by 3.000% per year.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Representative Termination Rates (per 100 employees) not Due to Disability, Retirement or Mortality

Attained Age	Percentage leaving during the year	
	Males	Females
20	30.0%	30.0%
25	30.0	30.0
30	20.0	20.0
35	15.0	15.0
40	12.5	12.5
45	10.0	10.0
50	7.5	7.5
55 & Over	0.0	0.0

Form of Payment

Participants are assumed to elect the normal form.

Marriage

80% of participants are assumed to be married.

Employees

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

Plan Compensation

Not Applicable – Frozen Plan.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Asset Method

Under this method, the valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: the market value of assets as of the current valuation date, the adjusted market value of assets as of the prior valuation date and the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date until the current valuation date. The assumed rate of return on plan assets for the prior plan year (pursuant to IRS Notice 2009-22) was 6.69%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.50%, and the applicable limitation for the plan year, equal to 6.69%. The assumed rate of return on plan assets for the second prior plan year (pursuant to IRS Notice 2009-22) was 6.43%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.50%, and the applicable limitation for the plan year, equal to 6.43%. The algebraically equivalent development of this method (pursuant to IRS Notice 2009-22) is shown in Section 2.4. Because expected investment returns under this method are limited under WRERA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Participant Data

Employee data was supplied by the employer as of the census date.

Tax Policy

The actuarial valuation performed for the plan year ending December 31, 2010 is used to determine the maximum deductible contribution for the tax year ending December 31, 2010.

Benefits not Included in Valuation

We believe that we have reflected all significant Plan provisions in this valuation.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Nature of Actuarial Calculations

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain plan provisions may be approximated or deemed insignificant and therefore are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

A range of results, different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision, which is not inherent in actuarial calculations. Certain percentages determined in this report, such as the Funding Target Attainment Percentage, are truncated to be consistent with the instructions for Schedule SB of the Form 5500.

The assumptions selected for this valuation other than those prescribed by law, generally reflect long-term average expectations. If overall future plan experience is less favorable than assumed, the relative level of plan costs or contribution requirements determined in this valuation will likely increase in future valuations. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this actuarial valuation to analyze the potential range of future pension contributions, but we can do so upon request.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 25 Change in Method

In accordance with 1.430(d)-1(g)(3)(ii)(A), automatic approval has been granted for the first plan year for which all the provisions of 1.430(d)-1, 1.430(f)-1, 1.430(g)-1, 1.430(i)-1, and 1.436-1 are reflected of any changes to funding methods permitted by the Pension Protection Act. 2010 is the first plan year for which all of these provisions were reflected, and thus all funding method changes are automatically approved.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32 Schedule of Amortization Bases as of January 1, 2010

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1 Shortfall	01/01/2010	7,453,204	7	7,453,204	1,254,315
2 Shortfall	01/01/2009	2,113,568	6	1,974,837	375,050
Total				9,428,041	1,629,365

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

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

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

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

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

A Name of plan DRC DEFINED BENEFIT PENSION PLAN	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;">B Three-digit plan number (PN) ►</td> <td style="width:40%; text-align: center;">002</td> </tr> <tr> <td colspan="2">D Employer Identification Number (EIN) 04-2211809</td> </tr> </table>	B Three-digit plan number (PN) ►	002	D Employer Identification Number (EIN) 04-2211809	
B Three-digit plan number (PN) ►	002				
D Employer Identification Number (EIN) 04-2211809					
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Dynamics Research Corporation					
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500					

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>			
2 Assets:			
a Market value	2a	56,898,925	
b Actuarial value	2b	59,314,551	
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	604	35,709,329
b For terminated vested participants	3b	850	25,534,386
c For active participants:			
(1) Non-vested benefits	3c(1)		70,884
(2) Vested benefits	3c(2)		7,487,951
(3) Total active	3c(3)	284	7,558,835
d Total	3d	1,738	68,802,550
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	6.64 %	
6 Target normal cost	6	68,317	

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	Nicole J. Devoe <div style="text-align: center;"> Signature of actuary </div>	<div style="text-align: center;"> Date 11-06880 Most recent enrollment number (617) 638-3690 Telephone number (including area code) </div>
Nicole J. Devoe Type or print name of actuary		
Towers Watson Delaware Inc. Firm name		
800 Boylston Street Prudential Tower Boston MA 02199-8103 Address of the firm		

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

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

Schedule SB (Form 5500) 2010
v.092308.1

Part II

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	0	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	0	0
9	Amount remaining (Item 7 minus item 8).....	0	0
10	Interest on item 9 using prior year's actual return of <u>22.19</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		2,488,118
b	Interest on (a) using prior year's effective rate of <u>8.20</u> %		204,026
c	Total available at beginning of current plan year to add to prefunding balance		2,692,144
d	Portion of (c) to be added to prefunding balance.....		2,692,144
12	Reduction in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	0	2,692,144

Part III

14	Funding target attainment percentage.....	14	82.29 %
15	Adjusted funding target attainment percentage.....	15	82.29 %
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	90.32 %
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

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
04/15/2010	111,000				
07/01/2010	222,000				
01/07/2011	3,500,000				
04/04/2011	350,000				
			Totals ►	18(b)	4,183,000 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 contribution from prior years	19a	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	3,925,405

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: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %
		☐ N/A, full yield curve used		
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
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 contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29).....	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....		31	68,317
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		9,428,041	1,629,365
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33).....		34	1,697,682
		Carryover balance	Prefunding balance
35 Balances used to offset funding requirement		0	1,373,743
36 Additional cash requirement (item 34 minus item 35).....		36	323,939
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....		37	3,925,405
38 Interest-adjusted excess contributions for current year (see instructions).....		38	3,601,466
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....		39	0
40 Unpaid minimum required contribution for all years		40	0

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Plan Sponsor

Dynamics Research Corporation

Discount Rates

Current plan year PPA effective interest rate: 6.64%

Prior plan year PPA effective interest rate: 8.20%

3-Segment Rates

Applicable month: September

Transition election: No

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. Participation in this plan is frozen.

Plan-related Expenses

The amount included this year for plan-related expenses is \$ 68,317.

Mortality

For all participants: The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

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 and gender are shown below.

Percentage retiring during the year		
Age	Males	Females
55-59	5.00%	5.00%
60-61	10.00%	10.00%
62-64	15.00%	15.00%
65	100.00%	100.00%

Compensation Increases

Not Applicable – Frozen Plan.

Future Increases in Social Security

Not Applicable – Frozen Plan.

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. For the purposes of determining the additional funding target for maximum deductible contribution purposes, maximum annual benefit and compensation limits are assumed to increase by 3.000% per year.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Representative Termination Rates (per 100 employees) not Due to Disability, Retirement or Mortality

Attained Age	Percentage leaving during the year	
	Males	Females
20	30.0%	30.0%
25	30.0	30.0
30	20.0	20.0
35	15.0	15.0
40	12.5	12.5
45	10.0	10.0
50	7.5	7.5
55 & Over	0.0	0.0

Form of Payment

Participants are assumed to elect the normal form.

Marriage

80% of participants are assumed to be married.

Employees

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

Plan Compensation

Not Applicable – Frozen Plan.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Asset Method

Under this method, the valuation assets are equal to the average of three values (all determined without regard to receivable contributions), the result increased by the discounted present value of contributions expected to be made after the valuation date based on the prior plan year PPA effective interest rate. This amount is then subject to a 10% corridor around the market value of assets (including the discounted present value of receivable contributions) as of the valuation date. The three values used to develop the average value are: the market value of assets as of the current valuation date, the adjusted market value of assets as of the prior valuation date and the adjusted market value of assets as of the second prior valuation date. The adjusted market value as of a relevant valuation date is equal to the market value of assets as of the prior valuation date increased by actual plan contributions and assumed return on plan assets and decreased by actual plan disbursements after that date until the current valuation date. The assumed rate of return on plan assets for the prior plan year (pursuant to IRS Notice 2009-22) was 6.69%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.50%, and the applicable limitation for the plan year, equal to 6.69%. The assumed rate of return on plan assets for the second prior plan year (pursuant to IRS Notice 2009-22) was 6.43%, which is the lesser of the anticipated rate of return on assets for the plan year, equal to 8.50%, and the applicable limitation for the plan year, equal to 6.43%. The algebraically equivalent development of this method (pursuant to IRS Notice 2009-22) is shown in Section 2.4. Because expected investment returns under this method are limited under WRERA, over time it is more likely to produce an actuarial value that is expected to be less than the market value of assets.

Participant Data

Employee data was supplied by the employer as of the census date.

Tax Policy

The actuarial valuation performed for the plan year ending December 31, 2010 is used to determine the maximum deductible contribution for the tax year ending December 31, 2010.

Benefits not Included in Valuation

We believe that we have reflected all significant Plan provisions in this valuation.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Nature of Actuarial Calculations

The results documented in this report are estimates based on data that may be imperfect and on assumptions about future events. Certain plan provisions may be approximated or deemed insignificant and therefore are not valued. Assumptions may be made about participant data or other factors. Reasonable efforts were made in this valuation to ensure that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately.

A range of results, different from those presented in this report could be considered reasonable. The numbers are not rounded, but this is for convenience only and should not imply precision, which is not inherent in actuarial calculations. Certain percentages determined in this report, such as the Funding Target Attainment Percentage, are truncated to be consistent with the instructions for Schedule SB of the Form 5500.

The assumptions selected for this valuation other than those prescribed by law, generally reflect long-term average expectations. If overall future plan experience is less favorable than assumed, the relative level of plan costs or contribution requirements determined in this valuation will likely increase in future valuations. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for the measurements (such as the end of an amortization period); and changes in plan provisions or applicable law. It is beyond the scope of this actuarial valuation to analyze the potential range of future pension contributions, but we can do so upon request.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2010

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2010

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	
	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	0		0		0		0		0		0		0		0	
25 - 29	0		0		0		0		0		0		0		0	
30 - 34	0		2		2		0		0		0		0		0	
35 - 39	0		11		2		1		0		0		0		0	
40 - 44	0		13		7		7		6		0		0		0	
45 - 49	1		22		12		5		8		3		0		0	
50 - 54	0		23		10		6		12		3		3		0	
55 - 59	0		24		16		3		8		6		2		0	
60 - 64	1		24		17		2		7		4		2		1	
65 - 69	0		3		1		2		0		0		0		0	
70 & Over	0		2		0		0		0		0		0		0	

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
 EIN / PN: 04-2211809/002
 Plan Sponsor: Dynamics Research Corporation
 Valuation Date: January 1, 2010

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

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

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

A Name of plan DRC DEFINED BENEFIT PENSION PLAN	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:60%;"> B Three-digit plan number (PN) ► </td> <td style="width:40%; text-align: center;">002</td> </tr> <tr> <td colspan="2"> D Employer Identification Number (EIN) 04-2211809 </td> </tr> </table>	B Three-digit plan number (PN) ►	002	D Employer Identification Number (EIN) 04-2211809	
B Three-digit plan number (PN) ►	002				
D Employer Identification Number (EIN) 04-2211809					
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Dynamics Research Corporation					
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B					
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500					

Part I Basic Information			
1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2010</u>			
2 Assets:			
a Market value.....	2a		56,898,925
b Actuarial value.....	2b		59,314,551
3 Funding target/participant count breakdown			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	604	35,709,329
b For terminated vested participants	3b	850	25,534,386
c For active participants:			
(1) Non-vested benefits.....	3c(1)		70,884
(2) Vested benefits.....	3c(2)		7,487,951
(3) Total active	3c(3)	284	7,558,835
d Total.....	3d	1,738	68,802,550
4 If the plan is at-risk, check the box and complete items (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate		5	6.64 %
6 Target normal cost.....		6	68,317

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	Nicole J. Devoe <div style="text-align: center;"> Signature of actuary </div>	<div style="text-align: center;"> Date 11-06880 </div>
Nicole J. Devoe Type or print name of actuary		Most recent enrollment number (617) 638-3690
Towers Watson Delaware Inc. Firm name		Telephone number (including area code)
800 Boylston Street Prudential Tower Boston MA 02199-8103 Address of the firm		

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

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

Schedule SB (Form 5500) 2010
v.092308.1

Part II

Part III Funding percentages

Part IV Contributions and liquidity shortfalls

18 Contrib

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

20 Quarterly contributions and liquidity shortfalls:

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: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %
		☐ N/A, full yield curve used		
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
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 contribution for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a).....	29	
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29).....	30	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	68,317
32 Amortization installments:		
a Net shortfall amortization installment	Outstanding Balance	Installment
	9,428,041	1,629,365
b Waiver amortization installment		
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33).....	34	1,697,682
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	1,373,743
36 Additional cash requirement (item 34 minus item 35).....	36	323,939
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	3,925,405
38 Interest-adjusted excess contributions for current year (see instructions).....	38	3,601,466
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

NOTICE TO TERMINATED ENROLLED ACTUARY

I, as Plan Administrator, verify that the explanation that is reproduced below or attached to this Notice is the explanation concerning your termination reported on the Schedule C (Form 5500) attached to the 2010 Form 5500, Annual Return/Report of Dynamics Research Corporation Defined Benefit Pension Plan. This Form 5500 is identified in line 2b by the nine-digit EIN 04-2211809 and in line 1b by the three-digit PN 002.

You have the opportunity to comment to the Department of Labor concerning any aspect of this explanation. Comments should include the name, EIN and PN of the plan and be submitted to:

Office of Enforcement
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210



Plan Administrator

September 26, 2011
Date

Explanation: Reassignment of responsibilities within Towers Watson Delaware Inc.



MOODY, FAMIGLIETTI & ANDRONICO
Certified Public Accountants & Consultants

**DYNAMICS RESEARCH CORPORATION
DEFINED BENEFIT PENSION PLAN**

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

Proactive certified public accounting and consulting

Statements of Net Assets Available for Plan Benefits

Dynamics Research Corporation
Defined Benefit Pension Plan

December 31	2010	2009
Assets		
Investments at Fair Value:		
Equity Mutual Funds	\$ 21,675,382	\$ 20,698,791
Common Equity Securities	11,099,566	9,445,118
Corporate and Foreign Bonds	9,626,363	9,117,198
U.S. Treasury Obligations	7,046,445	4,724,149
Money Market Accounts	4,227,025	2,151,543
Partnership/Joint Venture Interest	4,219,171	3,000,000
U.S. Government Securities	1,278,307	1,676,122
Preferred Equity Securities	141,489	241,632
Fixed Income Mutual Funds	-	2,553,106
Total Investments	59,313,748	53,607,659
Receivables:		
Plan Sponsor Contributions Receivable	3,850,000	3,345,000
Interest Income	358,680	259,803
Amounts Due from Broker	55,427	-
Total Receivables	4,264,107	3,604,803
Total Assets	63,577,855	57,212,462
Liabilities		
Amounts Due to Broker	-	140,574
Net Assets Available for Plan Benefits	\$ 63,577,855	\$ 57,071,888

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Net Assets
Available for Plan Benefits

Dynamics Research Corporation
Defined Benefit Pension Plan

For the Year Ended December 31	2010
Additions to Net Assets:	
Net Appreciation in Fair Value of Investments	\$ 5,573,059
Plan Sponsor Contributions	4,183,000
Interest and Dividend Income from Investments	1,749,394
<u>Total Additions</u>	<u>11,505,453</u>
Deductions from Net Assets:	
Benefit Payments	3,682,864
Other Expense	968,984
Plan Expenses	347,638
<u>Total Deductions</u>	<u>4,999,486</u>
Net Increase in Net Assets Available for Plan Benefits	<u>6,505,967</u>
Net Assets Available for Plan Benefits, Beginning of Year	<u>57,071,888</u>
Net Assets Available for Plan Benefits, End of Year	<u>\$ 63,577,855</u>

1. Description of the Plan:

The following description of the Dynamics Research Corporation Defined Benefit Pension Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for more complete information regarding the terms of the Plan.

General: The Plan is a noncontributory defined benefit plan maintained for the purpose of providing retirement benefits to eligible employees of Dynamics Research Corporation (the "Plan Sponsor"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Through June 30, 2002, generally, all employees of the Plan Sponsor who had completed 12 consecutive months of service and at least 1,000 hours and who did not make a special election to the contrary were considered Participants in the Plan (the "Participants"). Effective June 30, 2002, the Board of Directors of the Plan Sponsor voted to freeze membership in the Plan and to amend the Plan's accrual of future benefits.

The Plan Sponsor has appointed an investment trustee and custodian, First State Trust Company (the "trustee" or "First State"), to hold the Plan's assets, execute investment transactions, and administer the Participants' accounts.

Contributions: The Plan Sponsor makes contributions to the Plan to meet the minimum funding requirement as determined by the Plan's independent actuary. No voluntary employee contributions are permitted. Amounts contributed are deposited with the trustee of the Plan.

Vesting: As of June 30, 2007, all Participants were fully vested.

Benefits: The Plan provides for retirement benefits in the form of a life annuity to be paid to Participants who have reached the age of 65 and who have retired from active service with the Plan Sponsor. In addition, the Plan provides for benefits upon early retirement and vested termination. The annual normal retirement benefit is the greatest of:

- .6833 percent of average annual compensation plus .65 percent of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;

- the benefit accrued as of December 31, 1987 under the former plans;
- \$60 multiplied by years of benefit service.

Effective October 1, 2007, the Board of Directors of the Plan Sponsor approved plan participants age 65 or older, to continue working at their current schedule and be eligible to begin receiving their full pension payments. Plan participants who do not choose to commence pension payments will receive an actuarial adjustment when they do decide to start receiving pension benefits, to reflect their delayed retirement beyond age 65.

Plan Investments: The Plan's investments are held by First State in various mutual funds, equity securities, bonds, U.S. Treasury obligations, partnership/joint venture interests, money market accounts, and U.S. Government securities.

2. Significant Accounting Policies:

Basis of Accounting: The financial statements of the Plan are prepared under the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Fair Value: Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. In order to measure fair value, the Plan uses a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs.

The fair value hierarchy is as follows:

Level 1 - Inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that management has the ability to access.

Level 2 - Inputs utilize data points that are observable such as quoted prices, interest rates and yield curves.

Level 3 - Inputs are unobservable data points for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability.

Investment Valuation and Income Recognition: Investments in mutual funds, equity securities, bonds, U.S. Treasury obligations, money market accounts, and

2. Significant Accounting Policies (Continued):

U.S. Government securities are stated at fair value utilizing quoted market prices in active markets as of December 31, 2010 and 2009, and are classified within Level 1 of the fair value hierarchy. Investments in partnership/joint venture interests are classified within Level 2 of the fair value hierarchy based on significant other observable inputs.

The cumulative change in investment values at the beginning and end of each Plan year is reflected in the statement of changes in net assets available for plan benefits as net appreciation (depreciation) in value of investments and consists of realized gains (losses) and unrealized appreciation (depreciation) on those investments.

Payment of Benefits: Benefits are recorded when paid.

Expenses: Certain administrative expenses of the Plan are paid by the Plan Sponsor.

Plan Exposure to Market and Credit Risk: The Plan provides for investment in various mutual funds and other investment securities that, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Further, due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect Participants' account balances and the amounts reported in the accompanying financial statements.

Use of Estimates: The Plan Administrator has used estimates and assumptions relating to the reporting of assets and liabilities in its preparation of the financial statements in accordance with GAAP. Actual results experienced by the Plan may differ from those estimates.

Subsequent Events: The Plan Administrator has evaluated subsequent events spanning the period from December 31, 2010 through September 30, 2011, the latter representing the issuance date of these financial statements.

3. Party-in-Interest Transactions:

Certain Plan investments are managed by First State, trustee of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for these investment management services amounted to \$347,638 for the year ended December 31, 2010.

4. Tax Status:

The Internal Revenue Service has determined and informed the Plan Sponsor by a letter dated September 12, 2003, that the Plan and related trust are designed in accordance with the applicable provisions of the Internal Revenue Code. The Plan has been amended since receiving the determination letter; however, the Plan Administrator believes that the Plan and the related trust are currently being operated in compliance with the applicable provisions of the Internal Revenue Code. Therefore, the Plan Sponsor is of the opinion that the Plan and the related trust were tax exempt as of and for the year ended December 31, 2010.

GAAP requires plan management to evaluate tax positions taken by the Plan and to recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2007.

5. Plan Termination:

While it is the intention of the Plan Sponsor to continue the Plan indefinitely, the Plan Sponsor reserves the right to terminate or amend the Plan at any time subject to the provisions of ERISA. In the event of termination, the rights of all Participants to benefits will become nonforfeitable to the extent funded or as guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a U.S. government agency. The priorities for determining the allocation of Plan assets would be governed by ERISA and regulations issued by the PBGC. First State, the trustee, will make distributions to the Participants or their beneficiaries in accordance with the instructions of the Pension Committee, or in the absence of such instructions, as the trustee deems advisable.

6. Frozen Plan:

On December 11, 2001, the Board of Directors of the Plan Sponsor voted to freeze membership to the Plan and to amend the Plan's accrual of benefits as of June 30, 2002. Effective June 30, 2002, all Participants eligible for benefits will receive those earned benefits. Such benefits will be calculated as of June 30, 2002, based on each Participant's highest five consecutive years of earnings through that date. The calculated benefit was increased annually by 3%, for the plan years ended December 31, 2003 through December 31, 2006. Effective January 1, 2007, the 3% annual increase was discontinued.

7. Actuarial Valuation and Assumptions:

Towers Watson is the Plan's actuarial consultant. The significant assumptions used in the actuarial valuation as of December 31, 2010 are as follows:

Investment Return	8.3% compounded annually
Mortality Table	RP-2000 Combined Healthy Mortality table with separate rates for males and females projected to 2011
Normal Retirement Age	It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%
Asset Valuation Method	4-Year Average Method with a restart on January 1, 2011
Actuarial Cost Method	Projected Unit Credit Cost Method

The actuarial present value of accumulated plan benefits at December 31, 2010 and 2009 is as follows:

	2010	2009
Actuarial Present Value of Vested Accumulated Plan Benefits:		
Participants Receiving Benefits	\$ 32,460,314	\$ 30,815,675
Other Participants	25,761,499	25,240,944
	<u>58,221,813</u>	<u>56,056,619</u>
Actuarial Present Value of Nonvested Accumulated Plan Benefits	<u>76,356</u>	<u>108,425</u>
	<u>\$ 58,298,169</u>	<u>\$ 56,165,044</u>

The changes in the actuarial present value of accumulated plan benefits for the years ended December 31, 2010 and 2009 consist of the following:

	2010	2009
Actuarial Present Value of Accumulated Plan Benefits, Beginning of Year	\$ 56,165,044	\$ 55,001,017
Increase (Decrease) During the Year Attributable to:		
Interest	4,721,578	4,614,060
Benefits Paid	(3,680,769)	(3,450,033)
Change in Actuarial Assumptions	1,092,316	-
Net Increase	<u>2,133,125</u>	<u>1,164,027</u>
Actuarial Present Value of Accumulated Plan Benefits, End of Year	<u>\$ 58,298,169</u>	<u>\$ 56,165,044</u>

8. Information Certified by the Trustee:

The Plan's investments and investment transactions were certified by First State, the trustee of the Plan, as complete and accurate as of and for the years ended December 31, 2010 and 2009. Therefore, in accordance with the request of the Plan Administrator and as allowed under 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, this information was not subjected to auditing procedures generally accepted in the United States of America by the Plan's independent public accountants, except for comparing such information to related information included in the financial statements and supplemental schedules. The following is a summary of the unaudited information regarding the Plan, which was prepared by or derived from information prepared by the trustee and furnished to the Plan Administrator.

	2010	2009
Statements of Net Assets Available for Plan Benefits:		
Investments at Fair Value	\$ 59,313,748	\$ 53,607,659
Statement of Changes in Net Assets Available for Plan Benefits:		
Net Appreciation in Fair Value of Investments	\$ 5,573,059	
Interest and Dividend Income from Investments	1,749,394	

9. Investments:

Investments that represent 5% or more of the Plan's net assets as of December 31, 2010 and 2009, are summarized as follows:

	2010	2009
Equity Mutual Funds:		
Wisdomtree Diefa Fund	\$ 8,266,018	
Vanguard Growth ETF	7,143,637	
Vanguard Value ETF	5,935,522	
Partnership/Joint Venture Interest	4,219,171	
Equity Mutual Funds:		
Wisdomtree Diefa Fund		\$ 7,615,490
Vanguard Growth ETF		6,533,384
Vanguard Value ETF		5,869,812
Partnership/Joint Venture Interest		3,000,000

The net appreciation (depreciation) in the fair value of the Plan's investments by investment category (including gains and losses on investments bought and sold, as well as held during the year) are as follows:

Equity Mutual Funds	\$ 2,202,945
Common Equity Securities	1,796,013
Partnership/Joint Venture Interest	1,219,171
Corporate and Foreign Bonds	213,073
U.S. Government Securities and Treasury Obligations	120,616
Preferred Equity Securities	21,241
	<u>\$ 5,573,059</u>

10. Fair Value:

The following tables set forth, by level within the fair value hierarchy, the Plan investment assets at fair value, as of December 31, 2010 and 2009. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Investment Assets at Fair Value as of December 31, 2010				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual Funds:				
Equity Mutual Funds	\$ 21,675,382	\$ 21,675,382	\$ -	\$ -
Common Equity Securities	11,099,566	11,099,566	-	-
Corporate and Foreign Bonds	9,626,363	9,626,363	-	-
U.S. Treasury Obligations	7,046,445	7,046,445	-	-
Money Market Accounts	4,227,025	4,227,025	-	-
Partnership/Joint Venture				
Interest	4,219,171	-	4,219,171	-
U.S. Government Securities	1,278,307	1,278,307	-	-
Preferred Equity Securities	141,489	141,489	-	-
Total Investments	\$ 59,313,748	\$ 55,094,577	\$ 4,219,171	\$ -

Investment Assets at Fair Value as of December 31, 2009				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mutual Funds:				
Equity Mutual Funds	\$ 20,698,791	\$ 20,698,791	\$ -	\$ -
Fixed Income Mutual Funds	2,553,106	2,553,106	-	-
Common Equity Securities	9,445,118	9,445,118	-	-
Corporate and Foreign Bonds	9,117,198	9,117,198	-	-
U.S. Treasury Obligations	4,724,149	4,724,149	-	-
Partnership/Joint Venture				
Interests	3,000,000	-	3,000,000	-
Money Market Accounts	2,151,543	2,151,543	-	-
U.S. Government Securities	1,676,122	1,676,122	-	-
Preferred Equity Securities	241,632	241,632	-	-
Total Investments	\$ 53,607,659	\$ 50,607,659	\$ 3,000,000	\$ -

Schedule H, Line 4f Supplemental Schedule of Assets Held for
Investment Purposes at End of Year

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

Assets held by the Plan for investment purposes as of December 31, 2010, are summarized as follows:

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b)	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
<u>Equity Mutual Funds:</u>					
Wisdomtree Diefia Fund		Mutual Funds	174,499	\$ 11,336,456	\$ 8,266,018
Vanguard Growth ETF		Mutual Funds	116,308	7,134,970	7,143,637
Vanguard Value ETF		Mutual Funds	111,298	6,873,464	5,935,522
SPDR Gold Trust		Mutual Funds	814	54,527	112,918
Ishares Tr Russel 2000 Value Index Fund		Mutual Funds	1,164	73,484	82,749
Global X China Materials Etf		Mutual Funds	4,789	59,087	70,877
Ishares MSCI Turkey Index Fund		Mutual Funds	958	57,592	63,429
Neuberger Berman Real Estate		Mutual Funds	51	200	204
Blackrock Enhanced Government Fund		Mutual Funds	1	16	16
WA/Clay US Infl-Lkd Sec & Inc		Mutual Funds	1	12	12
		Subtotal: Equity Mutual Funds		\$ 25,589,808	\$ 21,675,382
<u>Common Equity Securities:</u>					
Simon PPTY Group Inc NEW		Corporate Stocks	2,554	\$ 173,067	\$ 254,097
Vale S. A. Adr		Corporate Stocks	6,241	152,511	215,751
Itau Unibanco Holding Spons Adr		Corporate Stocks	8,191	158,221	196,666
Posco-Adr		Corporate Stocks	1,723	184,360	185,550
Health Care Reit Inc		Corporate Stocks	3,195	137,713	152,210
Oil Co Lukoil Spons Adr		Corporate Stocks	2,518	148,707	142,015
Host Hotels & Resorts, Inc		Corporate Stocks	7,335	98,285	131,076
Shinhan Financial Group ADR		Corporate Stocks	1,302	109,849	122,154
Kb Financial Group Inc Spons Adr		Corporate Stocks	2,293	97,664	121,277
CNOOC LTD-ADR		Corporate Stocks	498	76,494	118,708
Yanzhou Coal Adr		Corporate Stocks	3,871	86,223	118,453
America Movil S.A.B.De C.V.Adr		Corporate Stocks	2,032	98,656	116,515
Kimco Realty Corp		Corporate Stocks	6,309	106,612	113,814

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b)	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
Prologis		Corporate Stocks	7,866	97,123	113,585
Vornado Realty Trust		Corporate Stocks	1,327	93,091	110,579
Ctrip Com Adr		Corporate Stocks	2,649	108,921	107,152
Camden PPTY TR		Corporate Stocks	1,917	86,364	103,480
China Pete & Chem Corp		Corporate Stocks	1,072	94,993	102,580
Mobile Telesystems-SP ADR		Corporate Stocks	4,657	97,587	97,192
Regency Centers Corporation		Corporate Stocks	2,286	80,358	96,561
Infosys Technologies Spons ADR		Corporate Stocks	1,165	65,804	88,633
Taiwan Semiconductor Spons Adr		Corporate Stocks	6,980	71,861	87,529
Macerich Co Com		Corporate Stocks	1,839	61,878	87,112
Digital Realty		Corporate Stocks	1,688	69,304	87,000
Annaly Capital Management Inc		Corporate Stocks	4,798	76,834	85,980
China Life-ADR		Corporate Stocks	1,385	84,031	84,721
Allstate Corp		Corporate Stocks	2,605	55,966	83,047
Essex PPTY TR Inc Com		Corporate Stocks	720	64,242	82,238
Teva Pharmaceutical Inds Ltd Adr		Corporate Stocks	1,577	79,237	82,209
Las Vegas Sands		Corporate Stocks	1,775	50,679	81,561
Icici Bk Ltd Spons Adr		Corporate Stocks	1,589	62,289	80,467
Cablevision Sys Corp CL A		Corporate Stocks	2,371	46,203	80,235
Genzyme Corp		Corporate Stocks	1,125	72,054	80,100
Petroleo Brasileiro Sa Petrobras		Corporate Stocks	2,338	67,680	79,890
Petroleo Brasileiro S.A. Adr		Corporate Stocks	2,110	84,842	79,842
Anglo Platinum Ltd Unspons Adr		Corporate Stocks	4,488	77,752	78,638
Wesco International Inc		Corporate Stocks	1,470	47,465	77,616
Melco Pbl Entmnt Ltd Spons Adr		Corporate Stocks	11,946	64,421	75,977
Gerdau Sa Spons Adr		Corporate Stocks	5,395	69,699	75,476
Standard Bank Group Unspons Adr		Corporate Stocks	2,311	72,194	75,138
MTN Group Ltd-Spons ADR		Corporate Stocks	3,647	68,184	74,100
China Constr Bk Corp Unspons Adr		Corporate Stocks	4,122	73,873	73,917
Equity Residential Prop. Trust		Corporate Stocks	1,396	49,624	72,522
Gazprom Spon Adr		Corporate Stocks	2,897	84,148	72,425

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Time Warner Cable Inc	Corporate Stocks	1,094	99,550	72,237
	Liberty Property Trust	Corporate Stocks	2,251	70,285	71,852
	Weatherford Intntl Ltd	Corporate Stocks	3,080	55,588	70,224
	Xerox Corp	Corporate Stocks	6,070	56,616	69,926
	Senior Housing Properties Trust Reit	Corporate Stocks	3,119	64,666	68,431
	Oil Sts Intl Inc	Corporate Stocks	1,059	36,067	67,871
	New York Cmnty Bancorp Inc	Corporate Stocks	3,545	44,370	66,823
	Diamondrock Hospital	Corporate Stocks	5,523	50,724	66,276
	McGraw Hill Companies Inc	Corporate Stocks	1,820	51,377	66,266
	Unit Corp	Corporate Stocks	1,408	58,014	65,444
	Scotts Co CL A	Corporate Stocks	1,285	47,881	65,239
	Southern Copper Corp	Corporate Stocks	1,323	45,482	64,483
	Brigham Exploration Co	Corporate Stocks	2,358	40,226	64,232
	Activision Blizzard Inc	Corporate Stocks	5,135	56,635	63,879
	Silgan Hldgs Inc	Corporate Stocks	1,778	51,182	63,670
	Boston Properties Inc	Corporate Stocks	739	54,224	63,628
	Jsc Mmc Norilsk Nickel Adr	Corporate Stocks	2,715	45,613	62,445
	Hanover Insurance Group Inc	Corporate Stocks	1,334	51,360	62,324
	HCP Inc REIT	Corporate Stocks	1,673	53,301	61,550
	Analog Devices	Corporate Stocks	1,628	43,881	61,327
	Endurance Specialty Hldgs Ltshs	Corporate Stocks	1,319	42,895	60,766
	St Jude Medical Inc	Corporate Stocks	1,415	57,742	60,491
	Packaging Corp of America	Corporate Stocks	2,333	46,210	60,285
	Mechel Oao	Corporate Stocks	2,057	46,708	60,126
	Progress Energy Inc	Corporate Stocks	1,377	62,538	59,872
	McKesson Corp. Common Stock	Corporate Stocks	845	56,472	59,471
	Gafisa Sa Spons Adr	Corporate Stocks	4,083	68,171	59,326
	Actuant Corp CI A New	Corporate Stocks	2,226	40,003	59,256
	Hasbro Inc	Corporate Stocks	1,255	34,439	59,211
	Naspers Ltd Spons Adr	Corporate Stocks	1,004	53,427	58,875

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b)	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
Lasalle Hotel PPTYS		Corporate Stocks	2,225	50,270	58,740
Mattel Inc		Corporate Stocks	2,305	52,662	58,616
Sempra Energy		Corporate Stocks	1,102	56,367	57,833
Towers Watson & Company		Corporate Stocks	1,106	51,550	57,578
HCC Ins Hldgs Inc		Corporate Stocks	1,980	53,893	57,301
Covidien Plc		Corporate Stocks	1,245	51,666	56,847
Vivo Participacoes SA Spons Adr		Corporate Stocks	1,735	45,040	56,544
SL Green Realty Corp		Corporate Stocks	836	47,541	56,438
Valmont Inds Inc Com		Corporate Stocks	634	49,381	56,255
Chimera Investment Corp REIT		Corporate Stocks	13,670	47,931	56,184
Heinz H J Co		Corporate Stocks	1,130	48,124	55,890
Chubb Corp		Corporate Stocks	925	41,005	55,167
Oasis Petroleum		Corporate Stocks	2,023	32,087	54,864
Ares Capital Corp		Corporate Stocks	3,326	45,064	54,812
Kilroy Rlty Corp		Corporate Stocks	1,490	43,079	54,340
El Paso Electric Co		Corporate Stocks	1,957	41,737	53,876
Nisource Inc		Corporate Stocks	3,034	61,894	53,459
Sensient Technologies Corp		Corporate Stocks	1,451	38,687	53,295
MFA Financial Inc Reit		Corporate Stocks	6,405	49,702	52,265
Broadridge Finl Solutions Inc		Corporate Stocks	2,380	50,760	52,193
Phillips Van Heusen Corp		Corporate Stocks	826	29,445	52,046
Avalonbay Communities Inc.		Corporate Stocks	460	39,445	51,773
Clorox Co		Corporate Stocks	810	49,103	51,257
Cosan Ltd		Corporate Stocks	3,735	49,601	50,871
CACI Intl Inc CL A		Corporate Stocks	946	44,365	50,516
Alexandria Real Estate Equities		Corporate Stocks	688	38,467	50,403
Tenaris Sa-Adr		Corporate Stocks	1,009	44,656	49,421
Washington Federal Inc		Corporate Stocks	2,907	42,269	49,186
Prosperity Bancshares Inc		Corporate Stocks	1,229	38,921	48,275
Cleco Corp New		Corporate Stocks	1,567	43,109	48,201

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	CNO Financial Group Inc	Corporate Stocks	7,107	37,826	48,185
	Mid-Amer Apt Cmnty's Inc	Corporate Stocks	750	40,828	47,618
	Hudson City Bancorp Inc	Corporate Stocks	3,730	44,346	47,520
	Babcock and Wilcox Company	Corporate Stocks	1,852	38,202	47,393
	Highwoods Properties Inc	Corporate Stocks	1,479	46,726	47,106
	Corrections Corp Amer New	Corporate Stocks	1,852	36,364	46,411
	Tenneco Automotive Inc	Corporate Stocks	1,118	26,191	46,017
	Associated Banc Corp	Corporate Stocks	3,011	37,691	45,617
	Fomento Economico Mexicano-Adr	Corporate Stocks	815	36,060	45,575
	Thompson Creek Metals Co. Inc	Corporate Stocks	3,089	34,618	45,470
	Genuine Parts Co	Corporate Stocks	882	34,961	45,282
	Apollo Inv Corporation	Corporate Stocks	4,023	39,284	44,535
	Nationwide Health PTYS Inc	Corporate Stocks	1,213	42,206	44,129
	Great Plains Energy Inc	Corporate Stocks	2,270	36,006	44,015
	Omnicom Group	Corporate Stocks	960	40,765	43,968
	UDR INC REIT	Corporate Stocks	1,858	44,003	43,700
	Telephone & D-WI	Corporate Stocks	1,384	57,506	43,624
	Millicom Intl Cellular S A	Corporate Stocks	454	20,376	43,402
	Teleflex Inc	Corporate Stocks	804	41,567	43,263
	Wolverine World Wide Inc	Corporate Stocks	1,321	34,224	42,114
	Scana Corp New	Corporate Stocks	1,020	33,556	41,412
	Wiley (John) & Sons Inc Class A	Corporate Stocks	913	29,236	41,304
	Ultra Pete Corp	Corporate Stocks	857	41,551	40,939
	Waddell & Reed Financial Inc Class A	Corporate Stocks	1,150	32,603	40,584
	Tower Group Inc	Corporate Stocks	1,566	35,257	40,090
	SRA International Inc - CL A	Corporate Stocks	1,956	38,505	40,000
	Valassis Communications Inc	Corporate Stocks	1,234	40,286	39,920
	Graftech International LTD	Corporate Stocks	2,005	31,040	39,779
	Firstmerit Corporation	Corporate Stocks	1,994	36,431	39,461
	First Cash Finl Svcs Inc	Corporate Stocks	1,263	24,117	39,140

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Government Properties Income Reit	Corporate Stocks	1,451	34,733	38,872
	Consolidated Edison Inc	Corporate Stocks	770	31,569	38,169
	XCEL Energy Inc	Corporate Stocks	1,620	34,078	38,151
	Sinopec Shanghai Adr	Corporate Stocks	723	34,816	37,285
	National Retail Properties Inc	Corporate Stocks	1,377	33,846	36,491
	Home Properties Inc. Common	Corporate Stocks	655	35,663	36,346
	Turkiye Garanti Bankasi Spons Adr	Corporate Stocks	7,149	35,863	36,326
	Entergy Corp	Corporate Stocks	510	49,826	36,123
	Rockwell Collins	Corporate Stocks	620	29,251	36,121
	QLOGIC Corp	Corporate Stocks	2,042	33,666	34,755
	Ivanhoe Mines Ltd	Corporate Stocks	1,514	17,116	34,701
	Northwestern Corp	Corporate Stocks	1,203	33,560	34,682
	Range Res Corp Comm	Corporate Stocks	770	49,310	34,635
	Waste Connections Inc Com	Corporate Stocks	1,239	23,908	34,110
	Biomed Realty Trust Inc	Corporate Stocks	1,807	32,626	33,701
	Washington Real Estate Inv't TR	Corporate Stocks	1,034	30,710	32,044
	Lincoln Elec Hldgs Inc	Corporate Stocks	482	28,413	31,460
	Energys	Corporate Stocks	955	26,447	30,675
	Cbl & Assoc. Ppty's Inc	Corporate Stocks	1,729	25,939	30,258
	Seadrill Ltd	Corporate Stocks	885	29,359	30,019
	Piedmont Office A Reit	Corporate Stocks	1,484	27,509	29,888
	Zimmer Hldgs Inc	Corporate Stocks	550	38,816	29,524
	MF Global Holdings Ltd	Corporate Stocks	3,496	26,796	29,227
	Resolute Energy Corp	Corporate Stocks	1,934	23,763	28,546
	Silicon Laboratories Inc	Corporate Stocks	617	26,597	28,394
	Aarons Inc	Corporate Stocks	1,380	25,212	28,138
	Dreamworks Animation SKG-A	Corporate Stocks	952	23,626	28,055
	Old Republic Intl Corp	Corporate Stocks	2,011	45,378	27,410
	Fifth Street Finance Corp.	Corporate Stocks	2,192	23,963	26,611
	Marriott International Inc	Corporate Stocks	640	21,566	26,586

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(c) No. of Shares or Units	(d) Cost	(e) Current Value
Aspen Insurance	Corporate Stocks	914	22,042	26,159
Myr Group Inc	Corporate Stocks	1,239	19,647	26,019
Bank of Hawaii Corp	Corporate Stocks	546	24,554	25,777
Brandywine Rlty TR New	Corporate Stocks	2,177	47,924	25,362
West Pharmaceutical Service Inc	Corporate Stocks	606	19,477	24,967
Skyworks Solutions Inc	Corporate Stocks	814	10,741	23,305
A O N Corp	Corporate Stocks	505	17,558	23,235
Smith A O Corp	Corporate Stocks	602	16,761	22,924
Extra Space Storage Inc	Corporate Stocks	1,303	22,704	22,672
Triquint Semiconductor Inc	Corporate Stocks	1,896	12,400	22,164
Tyler Technologies Inc	Corporate Stocks	1,062	14,112	22,047
Consolidated Graphics Inc	Corporate Stocks	453	18,437	21,939
Kraton Performance Polymers	Corporate Stocks	706	11,903	21,851
Sovran Self Storage Inc Reit	Corporate Stocks	591	23,054	21,755
Omega Healthcare Invs Inc	Corporate Stocks	910	18,424	20,420
Acadia Realty Trust	Corporate Stocks	1,114	19,927	20,319
Louisiana PAC Corp	Corporate Stocks	2,115	16,515	20,008
Starwood Hotels & Resorts	Corporate Stocks	323	18,697	19,632
Keppel Corp Spons Adr	Corporate Stocks	1,107	18,347	19,564
Lennox International Inc	Corporate Stocks	413	17,401	19,531
Braskem SA ADR (Brazil)	Corporate Stocks	757	18,186	19,001
Bradesco-ADR	Corporate Stocks	922	18,309	18,707
Hexel Corp	Corporate Stocks	1,015	13,031	18,361
Hdfc Bk Ltd Spons Adr	Corporate Stocks	104	16,661	17,379
Hutchinson Telecommunications Adr	Corporate Stocks	3,585	5,987	15,953
Ameren Corp	Corporate Stocks	525	24,250	14,800
Corporate Office Ppty's Tr	Corporate Stocks	401	15,155	14,015
DCT Industrial Trust Inc REIT	Corporate Stocks	2,618	15,765	13,902
KBW Inc	Corporate Stocks	475	10,576	13,262
Retail Opportunity Investments	Corporate Stocks	1,293	13,383	12,814

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(c) No. of Shares or Units	(d) Cost	(e) Current Value
Hersha Hospitality Trust	Corporate Stocks	1,671	10,145	11,029
McGrath Rentcorp	Corporate Stocks	394	10,787	10,331
Ventas Inc	Corporate Stocks	180	6,492	9,446
	Subtotal: Common Equity Securities		\$ 9,486,140	\$ 11,099,566
<u>Corporate and Foreign Bonds:</u>				
National Rural Util	Expiry Date 03/01/14, Interest Rate 4.7500% Per Annum	300,000	\$ 287,241	\$ 324,325
IBM Corp	Expiry Date 11/29/12, Interest Rate 4.7500% Per Annum	300,000	295,395	322,075
Gen Elec Cap Crp	Expiry Date 05/01/13, Interest Rate 4.8000% Per Annum	300,000	296,121	320,727
JP Morgan Chase & Co.	Expiry Date 01/20/15, Interest Rate 3.7000% Per Annum	275,000	292,573	284,594
Western Union Co	Expiry Date 10/01/16, Interest Rate 5.9300% Per Annum	250,000	287,060	279,884
Oracle Corp.	Expiry Date 04/15/13, Interest Rate 4.9500% Per Annum	250,000	251,080	272,351
Pepsico Inc	Expiry Date 02/15/13, Interest Rate 4.6500% Per Annum	250,000	270,592	269,202
Goldman Sachs GP	Expiry Date 01/15/14, Interest Rate 5.1250% Per Annum	250,000	243,508	268,596
Eli Lilly & Co	Expiry Date 03/06/14, Interest Rate 4.2000% Per Annum	250,000	253,618	268,012
Hewlett-Packard Co	Expiry Date 03/01/12, Interest Rate 5.2500% Per Annum	250,000	247,747	262,777
Cisco Systems	Expiry Date 02/22/11, Interest Rate 5.2500% Per Annum	250,000	253,120	251,566
United Parcel	Expiry Date 01/15/18, Interest Rate 5.5000% Per Annum	200,000	211,324	227,207
Abbott Labs	Expiry Date 11/30/17, Interest Rate 5.6000% Per Annum	190,000	189,858	217,229
Costco Companies	Expiry Date 03/15/12, Interest Rate 5.3000% Per Annum	200,000	199,648	210,408
Aes Corp	Expiry Date 10/15/17, Interest Rate 8.0000% Per Annum	117,000	121,975	123,727
Teekay Corp	Expiry Date 01/15/20, Interest Rate 8.500% Per Annum	107,000	112,376	116,496
Sysco Corp	Expiry Date 02/12/18, Interest Rate 5.2500% Per Annum	100,000	101,359	110,196
Intl Finance Corp.	Expiry Date 12/15/20, Interest Rate 8.250% Per Annum	100,000	99,160	103,000
US Airways Pass	Expiry Date 01/20/19, Interest Rate 8.360% Per Annum	95,194	96,370	99,478
Ford Motor Credit	Expiry Date 01/15/20, Interest Rate 8.125% Per Annum	85,000	84,267	98,890
Biomet Inc	Expiry Date 10/15/17, Interest Rate 10.375% Per Annum	89,000	95,553	97,232
Georgia Pacific Corp	Expiry Date 01/15/24, Interest Rate 8.0000% Per Annum	85,000	85,956	97,113
HCA Inc	Expiry Date 11/15/16, Interest Rate 9.6250% Per Annum	90,000	96,975	96,413
Ual 2000 Pass Trust	Expiry Date 07/01//11, Interest Rate 8.030%% Per Annum	75,000	101,726	95,250

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Delta Air Lines	Expiry Date 01/02/23, Interest Rate 6.718% Per Annum	92,966	87,138	93,896
	American Airlines	Expiry Date 08/01/16, Interest Rate 13.000% Per Annum	78,192	88,479	93,830
	Graphic Package	Expiry Date 06/15/17, Interest Rate 9.5000% Per Annum	85,000	90,388	92,756
	Citizens Communications	Expiry Date 11/29/12, Interest Rate 7.125% Per Annum	90,000	86,850	92,475
	CSC Holdings Inc	Expiry Date 07/15/18, Interest Rate 7.6250% Per Annum	85,000	82,708	92,225
	Mediacom LLC	Expiry Date 08/15/19, Interest Rate 9.125% Per Annum	90,000	91,687	91,800
	Ferrellgas Partners LP	Expiry Date 06/15/20, Interest Rate 8.625% Per Annum	85,000	86,275	91,375
	Select Medical	Expiry Date 02/01/15, Interest Rate 7.6250% Per Annum	91,000	87,482	91,000
	Suburban Propane	Expiry Date 03/15/20, Interest Rate 7.3750% Per Annum	85,000	85,000	90,738
	Conocophillips	Expiry Date 01/15/15, Interest Rate 4.6000% Per Annum	83,000	92,195	90,465
	Davita Inc.	Expiry Date 11/01/20, Interest Rate 6.625% Per Annum	91,000	89,725	90,090
	Community Health	Expiry Date 07/15/15, Interest Rate 8.8750% Per Annum	85,000	85,850	89,250
	Iron Mountain Inc	Expiry Date 06/15/20, Interest Rate 8.0000% Per Annum	85,000	90,525	89,250
	Forest Oil	Expiry Date 06/15/19, Interest Rate 7.2500% Per Annum	87,000	88,680	88,305
	Sprint Cap Corp	Expiry Date 11/15/28, Interest Rate 6.875% Per Annum	100,000	89,229	87,500
	Nrg Energy Inc	Expiry Date 02/01/16, Interest Rate 7.3750% Per Annum	85,000	87,152	87,125
	Energy Future Inc	Expiry Date 10/15/19, Interest Rate 9.7500% Per Annum	86,000	85,134	86,714
	Elizabeth Arden	Expiry Date 01/15/14, Interest Rate 7.7500% Per Annum	85,000	86,264	86,222
	Newmont Mining	Expiry Date 10/01/39, Interest Rate 6.250% Per Annum	77,000	76,475	83,722
	Energy Tran Ptnr	Expiry Date 07/01/38, Interest Rate 7.5000% Per Annum	71,000	75,941	82,583
	Cisco Systems Inc	Expiry Date 01/15/40, Interest Rate 5.5000% Per Annum	79,000	78,511	82,529
	Lazard Group LLC	Expiry Date 05/15/15, Interest Rate 7.1250% Per Annum	76,000	77,453	81,837
	AT & T Inc	Expiry Date 02/01/18, Interest Rate 5.5000% Per Annum	73,000	70,770	81,094
	Barric Gold Corp	Expiry Date 04/01/19 Interest Rate 5.1250% Per Annum	66,000	76,738	80,987
	Shell Int'l fin	Expiry Date 12/15/38, Interest Rate 6.3750% Per Annum	68,000	70,199	80,596
	Oracle Corp.	Expiry Date 04/15/18, Interest Rate 5.7500% Per Annum	70,000	70,770	80,076
	Midamer Ener Hld	Expiry Date 04/01/36, Interest Rate 6.1250% Per Annum	74,000	77,900	79,934
	Fund American Co	Expiry Date 05/15/13, Interest Rate 5.8750% Per Annum	77,000	77,122	79,787
	Walgreen Co	Expiry Date 08/01/13, Interest Rate 4.8750% Per Annum	73,000	73,918	79,734
	Comcast Corp.	Expiry Date 06/15/16 Interest Rate 4.9500% Per Annum	74,000	69,187	79,728

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	JP Morgan Chase & Co.	Expiry Date 04/23/19, Interest Rate 6.3000% Per Annum	70,000	78,261	79,678
	Verizon Comm Inc	Expiry Date 11/01/18, Interest Rate 8.7500% Per Annum	61,000	66,918	79,655
	Schering-Plough	Expiry Date 09/15/37 Interest Rate 6.5500% Per Annum	65,000	66,708	79,190
	Teva Pharmaceutical	Expiry Date 02/01/16, Interest Rate 5.5500% Per Annum	70,000	70,088	78,862
	Jefferies Group	Expiry Date 07/15/19, Interest Rate 8.5000% Per Annum	68,000	75,329	77,750
	Novartis Capital	Expiry Date 04/24/20, Interest Rate 4.4000% Per Annum	74,000	77,441	77,608
	Cred Suis Fb USA	Expiry Date 08/15/15, Interest Rate 5.1250% Per Annum	71,000	76,622	77,548
	Enterprise Products	Expiry Date 01/31/19, Interest Rate 6.5000% Per Annum	68,000	75,534	77,211
	CME Group Inc MTN	Expiry Date 08/01/13, Interest Rate 5.4000% Per Annum	70,000	71,048	77,078
	Pepsico Inc	Expiry Date 11/01/20, Interest Rate 3.125% Per Annum	82,000	80,236	77,066
	Pacific Gas & Elec	Expiry Date 03/01/34, Interest Rate 6.0500% Per Annum	70,000	68,722	76,643
	Diageo Cap Plc	Expiry Date 01/30/0, Interest Rate 5.1250% Per Annum	73,000	74,115	76,256
	General Dynamics	Expiry Date 02/01/14, Interest Rate 5.2500% Per Annum	69,000	74,579	75,977
	Denbury Resources	Expiry Date 02/15/20, Interest Rate 8.250% Per Annum	70,000	78,225	75,950
	GE Company	Expiry Date 02/01/13, Interest Rate 5.0000% Per Annum	71,000	74,497	75,897
	Kroger Co	Expiry Date 01/15/14, Interest Rate 7.5000% Per Annum	65,000	72,485	74,942
	Vodafone Group	Expiry Date 06/15/11, Interest Rate 5.5000% Per Annum	73,000	72,947	74,589
	Wal-Mart Stores Inc	Expiry Date 08/15/37, Interest Rate 6.5000% Per Annum	63,000	64,680	74,015
	Veolia Environnt	Expiry Date 06/01/18, Interest Rate 6.0000% Per Annum	66,000	65,749	73,919
	Centerpoint Ener Res	Expiry Date 04/01/13 Interest Rate 7.8750% Per Annum	65,000	73,644	73,478
	US West Cap FDG	Expiry Date 07/15/28, Interest Rate 6.875% Per Annum	75,000	70,500	70,125
	Hewlett-Packard Co	Expiry Date 03/01/13, Interest Rate 4.5000% Per Annum	62,000	61,951	66,362
	Berkshire Hathaway	Expiry Date 02/11/15, Interest Rate 3.2000% Per Annum	64,000	64,213	66,040
	Constellation Brnds	Expiry Date 09/01/16, Interest Rate 7.2500% Per Annum	60,000	61,763	63,600
	United Rental Na	Expiry Date 06/15/16, Interest Rate 10.875% Per Annum	55,000	58,763	62,838
	Time Warner Cable Inc	Expiry Date 02/15/21, Interest Rate 4.125% Per Annum	66,000	65,110	62,802
	Becton Dickinson	Expiry Date 11/12/20, Interest Rate 3.250% Per Annum	66,000	65,054	61,949
	Moog Inc	Expiry Date 06/15/18, Interest Rate 7.2500% Per Annum	45,000	43,819	47,025
	Be Aerospace Inc	Expiry Date 07/01/18, Interest Rate 8.5000% Per Annum	42,000	45,885	45,990
	United Rental Na	Expiry Date 12/15/19, Interest Rate 9.250% Per Annum	37,000	39,312	41,163

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(c) No. of Shares or Units	(d) Cost	(e) Current Value
Moog Inc	Expiry Date 01/15/15, Interest Rate 6.250% Per Annum	40,000	38,800	40,400
Arch Coal Inc	Expiry Date 10/01/20, Interest Rate 7.250% Per Annum	32,000	32,560	33,760
Hewlett-Packard Co	Expiry Date 03/01/14, Interest Rate 6.1250% Per Annum	9,000	10,243	10,191
Iron Mountain Inc	Expiry Date 08/15/21, Interest Rate 8.375% Per Annum	6,000	6,450	6,435
	Subtotal: Corporate and Foreign Bonds		\$ 9,172,598	\$ 9,626,363
U.S Treasury Obligations:				
US Treasury Notes	Expiry Date 11/15/18, Interest Rate 3.7500% Per Annum	956,000	\$ 996,216	\$ 1,016,871
US Treasury Notes	Expiry Date 09/30/14, Interest Rate 2.3750% Per Annum	807,000	843,577	835,875
US Treasury Notes	Expiry Date 11/15/20, Interest Rate 2.625% Per Annum	640,000	599,021	603,700
US Treasury Notes	Expiry Date 04/30/12, Interest Rate 1.000% Per Annum	576,000	579,465	580,660
US Treasury Notes	Expiry Date 11/30/14, Interest Rate 2.1250% Per Annum	494,000	507,818	506,041
US Treasury Notes	Expiry Date 5/31/11, Interest Rate .875% Per Annum	503,000	505,026	504,435
US Treasury Notes	Expiry Date 01/31/11, Interest Rate 0.8750% Per Annum	479,000	480,760	479,244
US Treasury Notes	Expiry Date 05/15/13, Interest Rate 1.375% Per Annum	465,000	472,701	471,687
US Treasury Notes	Expiry Date 05/15/17, Interest Rate 4.5000% Per Annum	375,000	392,314	419,590
US Treasury Notes	Expiry Date 08/15/40, Interest Rate 3.875% Per Annum	417,000	386,639	384,096
US Treasury Notes	Expiry Date 11/15/12, Interest Rate 4.0000% Per Annum	350,000	335,563	372,613
US Treasury Bonds	Expiry Date 05/31/14, Interest Rate 2.2500% Per Annum	334,000	351,170	345,507
US Treasury Notes	Expiry Date 05/15/19, Interest Rate 3.1250% Per Annum	290,000	278,324	293,059
US Treasury Notes	Expiry Date 08/15/11, Interest Rate 5.0000% Per Annum	150,000	157,992	154,406
US Treasury Bonds	Expiry Date 03/15/12, Interest Rate 1.3750% Per Annum	60,000	60,513	60,745
US Treasury Notes	Expiry Date 02/15/16, Interest Rate 4.5000% Per Annum	16,000	16,935	17,916
	Subtotal U.S. Treasury Obligations:		\$ 6,964,034	\$ 7,046,445
Money Market Accounts:				
Northern	Northern Inst'l Diversified Assets-SW	4,227,025	\$ 4,227,025	\$ 4,227,025

Schedule H, Line 4i Supplemental Schedule of Assets Held for
Investment Purposes at End of Year (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a) Identity of Issue, Borrower, Lessor or Similar Party	(b) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(c) No. of Shares or Units	(d) Cost	(e) Current Value
Multi-Sirt Ser G	Partnership/Joint Venture Interest:			
CMF Institutional Futures Port LP	Mutual Funds	1,000,000	\$ 1,000,000	\$ 2,195,362
	Mutual Funds	2,000	2,000,000	2,023,809
	Subtotal: Partnership/Joint Venture Interest:		\$ 3,000,000	\$ 4,219,171
FNMA Pool	U.S. Government Securities:			
FHLMC Pool	Expiry Date 07/15/13, Interest Rate 4.5000% Per Annum	400,000	\$ 391,310	\$ 435,750
FHLMC Pool	Expiry Date 07/15/12, Interest Rate 5.1250% Per Annum	398,000	412,782	425,487
	Expiry Date 10/15/14, Interest Rate 4.6250% Per Annum	375,000	363,500	417,070
	Subtotal: U.S. Government Securities		\$ 1,167,592	\$ 1,278,307
Merrill Lynch Cap Tr III PFD	Preferred Equity Securities:			
	Corporate Stocks	5,925	\$ 102,881	\$ 141,489
	Total		\$ 59,710,078	\$ 59,313,748

* (a) Represents a party-in-interest to the Plan.

Schedule H, Line 4j Supplemental Schedule of Reportable
Transactions for the Year Ended December 31, 2010

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a) Identity of Party Involved	(b) Description of Asset (including interest and maturity)	(c) Purchase Price	(d) Selling Price	(e) Lease Rental	(f) Expense Incurred With Transaction	(g) Cost of Assets	(h) Current Value Of Assets On Transaction Date	(i) Net Gain (Loss)
Series of Transactions With Same Broker Exceeds 5% of Value								
Northern	Northern Inst'l Diversified Assets-SW							
	Purchases	28,531,577	-	N/A	-	28,531,577	28,531,577	-
	Sales	-	24,304,552	N/A	-	24,304,552	24,304,552	-
SEI	SEI Daily Income Prime Obligations CLB							
	Purchases	4,833,335	-	N/A	-	4,833,335	4,833,335	-
	Sales	-	6,984,879	N/A	-	6,984,879	6,984,879	-

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Sponsor

Dynamics Research Corporation

Plan

Dynamics Research Corporation Defined Benefit Pension Plan

Effective Date and Most Recent Amendment

The plan was originally effective January 1, 1980. On October 25, 2006, Dynamics Research Corporation's Board of Directors approved an amendment to the plan that removed the 3% annual benefit inflator and fully freezes benefit accruals as of December 31, 2006. The Plan was most recently amended on December 1, 2010.

Plan Year

The twelve-month period ending 12/31.

Coverage and Participation

Employees classified as staff and service employees will become participants on the first day of the month following the completion of one year of service and at least 1,000 hours. Participation in the plan was frozen as of June 30, 2002.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809/002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2011

SCHEDULE SB ATTACHMENTS

Normal or Late Retirement Benefit

Normal Retirement Date: A participant who retires from the Company after attaining the later of age 65.

Benefit Formula: The normal monthly retirement benefit of a participant payable in the normal form is the greatest of one-twelfth of (a), (b) and (c):

- (a) .6833 percent of average annual compensation plus .650 percent of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;
- (b) the benefit accrued as of December 31, 1987 under the former plans, and
- (c) \$60 multiplied by years of benefit service.

Benefits are fixed effective June 30, 2002. The accrued benefit calculated as of June 30, 2002 will be indexed at 3% per year beginning December 31, 2003 and ending December 31, 2006.

Commencement Date: Payments shall commence on the first day of the month following an employee's retirement from the Company or the date he applies for his benefit.

Normal Form of Benefit: The benefit is paid monthly for the life of the retired participant .

Early Retirement Benefit

Eligibility: Participants with 10 or more years of vesting service may retire any time after age 55.

Benefit: Same as normal retirement. If benefits commence prior to age 65, the accrued benefit shall be reduced by 5/9ths of 1.0% for each of the first 60 months and by 5/18ths of 1.0% for each month in excess of 60 that benefit commencement date precedes Normal Retirement Date.

Commencement Date: Payments shall commence on the first day of the month coincident with or next following the later of early retirement and application for benefits.

Form of Benefit: Same as normal retirement.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
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Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2011

SCHEDULE SB ATTACHMENTS

Vested Benefits Upon Termination of Service

Vesting: A Participant who terminates employment after completion of 5 or more years of vesting service is eligible for a vested deferred benefit

Termination Benefit: Same as normal retirement.

Commencement Date: The vested accrued benefit of terminated participant is payable as a monthly pension at age 65 or it may be payable as early as 55 with the reduction for early retirement if the participant has 10 or more years of vesting service.

Form of Benefit: Same as normal retirement.

Death Benefits for Participants in Active Service

Eligibility: An active or terminated vested participant who has completed five or more years of vesting service and was married at death is covered by the pre-retirement death benefit.

Benefit: The amount of benefit payable to the surviving spouse is the actuarial equivalent of the benefit that the participant would have received if the participant had

(a) survived to the earliest retirement date,

(b) retired and elected to be paid in the form of a joint annuity with 100 percent to the surviving spouse, and

(c) died immediately thereafter

Commencement Date: The benefit will be payable as an annuity commencing on the first of the month following the participant's death.

Pension Increases

None.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2011

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Plan Participants' Contributions

No participant contributions are allowed or required.

Changes in Plan Provisions since Last Actuarial Valuation

There have been no changes in the principal plan provisions since the prior valuation.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809/002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2011