

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

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

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>FERNALD 401(K) SAVINGS PLAN</u>	1b Three-digit plan number (PN) ► <u>003</u> 1c Effective date of plan <u>01/01/1986</u>
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>FLUOR CORPORATION</u> <u>6700 LAS COLINAS BOULEVARD</u> <u>IRVING, TX 75039</u>	2b Employer Identification Number (EIN) <u>33-0927079</u> 2c Sponsor's telephone number <u>469-398-7000</u> 2d Business code (see instructions) <u>237990</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>10/12/2012</u>	<u>GLENN GILKEY</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 (2011)
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3a Plan administrator's name and address (if same as plan sponsor, enter "Same") FLUOR CORPORATION 6700 LAS COLINAS BOULEVARD IRVING, TX 75039	3b Administrator's EIN 33-0927079 3c Administrator's telephone number 469-398-7000
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	919
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	99
b Retired or separated participants receiving benefits.....	6b	4
c Other retired or separated participants entitled to future benefits.....	6c	155
d Subtotal. Add lines 6a , 6b , and 6c	6d	258
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	2
f Total. Add lines 6d and 6e	6f	260
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	161
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	

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

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

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

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

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

a Pension Schedules

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

b General Schedules

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

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

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

A Name of plan FERNALD 401(K) SAVINGS PLAN	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 FLUOR CORPORATION	D Employer Identification Number (EIN) 33-0927079

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
HARTFORD RETIREMENT SERVICES, LLC

26-1589907

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

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

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

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

INVESCO NATIONAL TRUST COMPANY

84-0591534

(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 51	NONE	12775	Yes ☒ No ☐	Yes ☒ No ☐	0	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 ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>FERNALD 401(K) SAVINGS PLAN</u>	B Three-digit plan number (PN)	<u>003</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>FLUOR CORPORATION</u>	D Employer Identification Number (EIN) <u>33-0927079</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO INTERNATIONAL EQUITY TRUST

b Name of sponsor of entity listed in (a): INVESCO NATIONAL TRUST COMPANY

c EIN-PN <u>84-1251723-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>189395</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO 500 INDEX TRUST

b Name of sponsor of entity listed in (a): INVESCO NATIONAL TRUST COMPANY

c EIN-PN <u>84-1251725-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>206797</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO STRUCTURED SMALL CAP TRUST

b Name of sponsor of entity listed in (a): INVESCO NATIONAL TRUST COMPANY

c EIN-PN <u>84-1150905-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO STABLE VALUE TRUST

b Name of sponsor of entity listed in (a): INVESCO NATIONAL TRUST COMPANY

c EIN-PN <u>84-1142974-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1517940</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: INVESCO U.S. QUANTITATIVE CORE TRUS

b Name of sponsor of entity listed in (a): INVESCO NATIONAL TRUST COMPANY

c EIN-PN <u>91-2052098-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>316878</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

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

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

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

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

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

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

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

SCHEDULE H (Form 5500) <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 <div style="border: 1px solid black; padding: 5px; font-size: 1.2em; font-weight: bold;">2011</div> This Form is Open to Public Inspection
For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan FERNALD 401(K) SAVINGS PLAN		B Three-digit plan number (PN) ► 003
C Plan sponsor's name as shown on line 2a of Form 5500 FLUOR CORPORATION		D Employer Identification Number (EIN) 33-0927079

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)	2618797	2231010
(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)	3521912	3292316
(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	6140709	5523326

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	6140709	5523326
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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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(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)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	1886	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		1886
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		55145
(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)		-77378
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		-20347

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	584272	
(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)		584272
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)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	12764	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		12764
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		597036

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-617383
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: ERNST & YOUNG LLP

(2) EIN: 34-6565596

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		40000000
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.	X		

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

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

0

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

5b(1) Name of plan(s)

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

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>FERNALD 401(K) SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>FLUOR CORPORATION</u>	D Employer Identification Number (EIN) <u>33-0927079</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>06-0974148</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

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): _____

See audited financial statements for Accountant's Opinion.

Plan Name	Fernald 401(k) Savings Plan
Plan Sponsor's Name	Fluor Corporation

[illegible]

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE

Fernald 401(k) Savings Plan

As of February 29, 2012; December 31, 2011 and 2010;
and for the two months ended February 29, 2012; and for
the year ended December 31, 2011

With Report of Independent Auditors

Ernst & Young LLP

 **ERNST & YOUNG**

Fernald 401(k) Savings Plan

Financial Statements and Supplemental Schedule

As of February 29, 2012; December 31, 2011 and 2010;
and for the two months ended February 29, 2012; and
for the year ended December 31, 2011

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Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2011	I

Report of Independent Auditors

The Global Benefits Committee
Fernald 401(k) Savings Plan

We were engaged to audit the accompanying statements of net assets available for benefits of the Fernald 401(k) Savings Plan as of February 29, 2012, and December 31, 2011 and 2010, and the related statements of changes in net assets available for benefits for the two months ended February 29, 2012, and the year ended December 31, 2011, and the supplemental schedule of assets (held at end of year) as of December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by Reliance Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. 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 certifications from the trustee as of February 29, 2012, and December 31, 2011 and 2010, and for the two months ended February 29, 2012, and the year ended December 31, 2011, 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 these accompanying financial statements and supplemental schedule as a whole. The supplemental schedule is presented for the purposes of additional analysis and is not a required part of the financial statements, but is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the investment information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Income Security Act of 1974.

Ernst & Young LLP

October 4, 2012

Fernald 401(k) Savings Plan

Statements of Net Assets Available for Benefits

	February 29, 2012	December 31, 2011	December 31, 2010
Assets			
Investments at fair value:			
Mutual funds	\$ —	\$ 3,292,316	\$ 3,521,912
Common or collective trusts	—	2,231,010	2,618,797
Net assets available for benefits at fair value	—	5,523,326	6,140,709
Adjustment from fair value to contract value for fully benefit-responsive investment contracts held in a common or collective trust (see Note 2)	—	(45,768)	(50,806)
Net assets available for benefits	\$ —	\$ 5,477,558	\$ 6,089,903

See accompanying notes.

Fernald 401(k) Savings Plan

Statements of Changes in Net Assets Available for Benefits

	For the Two Months Ended February 29, 2012	For the Year Ended December 31, 2011
Additions to (deductions from) net assets attributed to:		
Investment income (loss):		
Interest and dividends	\$ 9,561	\$ 99,245
Net appreciation (depreciation) in fair value of investments	302,365	(114,554)
Total investment income (loss), net	<u>311,926</u>	<u>(15,309)</u>
Benefits paid to participants	(491,178)	(584,272)
Administrative expenses	(1,936)	(12,764)
Transfer out to Fluor Corporation Employees' Savings Investment Plan	<u>(5,296,370)</u>	<u>—</u>
Net decrease	(5,477,558)	(612,345)
Net assets available for benefits at:		
Beginning of year	5,477,558	6,089,903
End of period	<u>\$ —</u>	<u>\$ 5,477,558</u>

See accompanying notes.

Fernald 401(k) Savings Plan

Notes to Financial Statements

February 29, 2012 and December 31, 2011

1. Description of the Plan

The following description of the Fernald 401(k) Savings Plan (Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

During 2006, substantially all employees of Fluor Fernald, Inc. (Company), a subsidiary of Fluor Corporation, were terminated and the Company ceased to operate as a going concern. Prior to the final wind down of Company operations, Fluor Corporation (Plan Sponsor) took over sponsorship of the Plan from the Company, effective December 15, 2009, at which time it was determined that the Plan would merge into another plan of the Plan Sponsor.

The following information presents the plan provisions as they existed before the plan merger date. The Plan did not allow new participant contributions or loans subsequent to the Company ceasing operations.

General

The Plan was a defined contribution plan covering all active salaried employees of the Company who had completed 90 days of service. Hourly paid employees whose employment was subject to the terms of a collective bargaining agreement between the Company and a labor organization that had negotiated for Plan participation were also eligible to participate after having completed 90 days of service. The Plan was subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Contributions

Prior to termination, each year, participants could contribute up to 25% of pre-tax annual base earnings as defined in the Plan. Participants were also able to directly or indirectly roll over amounts from other employers' qualified plans or from individual retirement accounts. Participants directed investment of their contributions into various investment options offered by the Plan. The Plan offered mutual funds and collective trust funds as investment options for participants. The Company contributed 100% of the first 3% of annual base earnings and 50% of the next 3% of annual base earnings, up to a maximum of 4.5% of annual base earnings that a participant contributed to the Plan, once the participant completed one year of service. The matching Company contribution was also invested as directed by participants. Contributions were subject to certain limitations. The last contributions were made in 2006.

Fernald 401(k) Savings Plan

Notes to Financial Statements (continued)

Participant Accounts

Each participant's account was credited with the participant's contribution and allocations of the Company's matching contribution, investment earnings and losses, and charged with an allocation of administrative expenses. Allocations were based on participant earnings or account balances, as defined. The benefit to which a participant was entitled to was the benefit that could be provided from the participant's vested account.

Payment of Benefits and Vesting

Upon termination of service due to death, disability or retirement, a participant received a lump sum payment of all vested benefits or deferred payment as provided by the Plan. Any nonvested amounts were forfeited. Forfeited accounts were used to reduce the Company's matching contributions. All participants were 100% vested in their accounts.

Participant Loans

Prior to termination, participants could borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 or 50% of their account balance, whichever was less. The loans were secured by the balance in the participant's account and earned interest at rates that were based on the prime interest rate as published in *The Wall Street Journal* on the first day of the month in which the loan was requested. Principal and interest was paid ratably through payroll deductions. Effective January 1, 2005, all new loans had a maximum term of one year and effective January 1, 2006, no new loans could be granted.

Administrative Expenses

Administrative expenses are paid by the Plan unless otherwise paid by the Plan Sponsor, at its discretion.

Plan Termination

Due to the Company's cessation of operations, the Company received approval to terminate the Plan from the Department of Energy on September 28, 2006. It was expected that distributions of Plan assets would be performed in accordance with the Plan and applicable federal laws. As a result of Plan termination, all participants became fully vested. However, following the Company's cessation of operations, a number of Plan participants transferred to another entity of the Company's controlled group. Therefore, due to the successor plan rules under 26 CFR 1.401(k)-1(d)(4), the assets of the Plan could not be distributed and the Plan was essentially

Fernald 401(k) Savings Plan

Notes to Financial Statements (continued)

frozen. Effective February 29, 2012, the Plan was merged into the Fluor Corporation Employees' Savings Investment Plan (SIP) and all Plan assets were transferred into SIP.

2. Summary of Accounting Policies

Basis of Accounting

The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting. Benefits paid to participants are recorded upon distribution.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes and supplemental schedule. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date (an exit price). See Note 4 for further discussion of fair value.

Investments in mutual funds are stated at the net asset value of shares held by the Plan at year-end based on quoted market prices. The fair value of the common or collective trusts represents the underlying net asset value of the shares or units of such funds as determined by the issuer. The Invesco Stable Value Trust (the Stable Value Trust), a common or collective trust, invested in fully benefit-responsive investment contracts. The Stable Value Trust is recorded at fair value based on the net asset value as determined by the issuer based on the fair value of underlying assets; however, since these contracts are fully benefit-responsive, an adjustment was reflected in the statements of net assets available for benefits to present these investments at contract value. The contract value represented contributions plus earnings, less participant withdrawals and administrative expenses. The Stable Value Trust could be redeemed after a 10 day notice period and had no unfunded commitments.

Interest income is recorded when earned. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on a trade-date basis.

Fernald 401(k) Savings Plan

Notes to Financial Statements (continued)

Risk and Uncertainties

The Plan provides for investments in various investment securities, which, in general, are exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities could occur and that such changes could materially affect the amounts reported in the statements of net assets available for benefits and participant account balances.

3. Investments

All investment information disclosed in the accompanying financial statements, notes and supplemental schedule, including investments held other than the fair value of the Stable Value Fund and the adjustment from fair value to contract value for fully benefit-responsive investment contracts held in common or collective trust at February 29, 2012, December 31, 2011 and 2010, and net appreciation (depreciation) in fair value of investments, interest and dividend income for the two months ended February 29, 2012, and the year ended December 31, 2011, was obtained or derived from information supplied to the plan administrator and certified as complete and accurate by Reliance Trust Company (Trustee). The contract value of the Stable Value Fund was certified as complete and accurate by the Trustee.

Individual investments that represent 5% or more of the Plan's net assets available for benefits are as follows:

	December 31,	
	2011	2010
Stable Value Trust (at fair value)*	\$ 1,517,940	\$ 1,826,170
PIMCO Total Return – Class Administration Fund	1,103,163	1,093,889
Dreyfus Premier New Leaders	784,382	895,553
Davis New York Venture	649,482	737,199
American Funds Growth Fund	503,954	526,088
Invesco U.S. Quantitative Small Value Trust	316,878	355,653

*Contract value was \$1,472,172 and \$1,775,364 as of December 31, 2011 and 2010, respectively.

Fernald 401(k) Savings Plan

Notes to Financial Statements (continued)

During 2012 and 2011, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in value as follows:

	Two months ended February 29, 2012	Year ended December 31, 2011
Mutual funds	\$ 237,552	\$ (77,378)
Common or collective trusts	64,813	(37,176)
	<u>\$ 302,365</u>	<u>\$ (114,554)</u>

4. Fair Value Measurements

Fair value is defined as the price that would be received for an asset or paid to a transfer a liability in an orderly transaction between market participants on the measurement date (i.e., an exit price). The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

Level 1 – Quoted prices (unadjusted) available in active markets for identical assets or liabilities as of the reporting date. An active market for the asset or liability is a market in which the transaction for the asset or liability occurs with sufficient frequency and volume to provide pricing information on an ongoing basis.

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

Level 3 – Unobservable inputs for the asset or liability that are not corroborated by market data. The reporting entity makes estimates and assumptions related to the pricing of the asset or liability, including assumptions regarding risk.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. There were no transfers between Level 2 or Level 3 investments during the two months ended February 29, 2012, and the year ended December 31, 2011.

Fernald 401(k) Savings Plan

Notes to Financial Statements (continued)

The following tables set forth, by level, within the fair value hierarchy, the assets of the Plan at fair value, on a recurring basis:

Fair Value Measurement at December 31, 2011				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Intermediate-term bond fund	\$ 1,103,163	\$ —	\$ —	\$ 1,103,163
Balanced fund – stock and bond	503,954	—	—	503,954
Stock funds – large growth	1,589,746	—	—	1,589,746
Stock fund – large value	95,453	—	—	95,453
Total mutual funds	3,292,316	—	—	3,292,316
Common or collective trusts:				
Large-cap stock	—	206,797	—	206,797
Small-cap stock	—	316,878	—	316,878
International stock	—	189,395	—	189,395
Stable Value Trust	—	1,517,940	—	1,517,940
Total common or collective trusts	—	2,231,010	—	2,231,010
	\$ 3,292,316	\$ 2,231,010	\$ —	\$ 5,523,326

Fair Value Measurement at December 31, 2010				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Intermediate-term bond fund	\$ 1,093,889	\$ —	\$ —	\$ 1,093,889
Balanced fund – stock and bond	526,089	—	—	526,089
Stock funds – large growth	1,798,845	—	—	1,798,845
Stock fund – large value	103,089	—	—	103,089
Total mutual funds	3,521,912	—	—	3,521,912
Common or collective trusts:				
Large-cap stock	—	212,989	—	212,989
Small-cap stock	—	355,653	—	355,653
International stock	—	223,985	—	223,985
Stable Value Trust	—	1,826,170	—	1,826,170
Total common or collective trusts	—	2,618,797	—	2,618,797
	\$ 3,521,912	\$ 2,618,797	\$ —	\$ 6,140,709

Fernald 401(k) Savings Plan

Notes to Financial Statements (continued)

5. Tax Status

The Plan received a determination letter from the Internal Revenue Service (IRS) dated February 6, 2012, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the Code) and therefore the related trust is tax-exempt. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification. The plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Code and therefore believes the Plan is qualified and the related trust is tax exempt.

Accounting principles generally accepted in the United States require Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. Plan management has analyzed the tax positions taken by the Plan and has concluded that as of February 29, 2012 and December 31, 2011 and 2010, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Plan management believes it is no longer subject to income tax examinations for years prior to 2008.

6. Reconciliation of Form 5500 to Financial Statement

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500 at December 31:

	<u>2011</u>	<u>2010</u>
Net assets available for benefits per the financial statements	\$ 5,477,558	\$ 6,089,903
Add: adjustment from contract value to fair value for fully benefit-responsive investment contracts held in a common or collective trust	45,768	50,806
Net assets available for benefits per the Form 5500	<u>\$ 5,523,326</u>	<u>\$ 6,140,709</u>

Fernald 401(k) Savings Plan

Notes to Financial Statements (continued)

The following is a reconciliation of the total investment income per the financial statements to the Form 5500 for the two months ended February 29, 2012:

Total investment income per the financial statements	\$ 311,926
Less: 2011 adjustment from contract value to fair value for fully benefit-responsive investment contracts held in a common or collective trust	<u>(45,768)</u>
Net investment income per the Form 5500	<u>\$ 266,158</u>

The following is a reconciliation of the total investment loss per the financial statements to the Form 5500 for the year ended December 31, 2011:

Total investment loss per the financial statements	\$ (15,309)
Add: 2011 adjustment from contract value to fair value for fully benefit-responsive investment contracts held in a common or collective trust	45,768
Less: 2010 adjustment from contract value to fair value for fully benefit-responsive investment contracts held in a common or collective trust	<u>(50,806)</u>
Net investment loss per the Form 5500	<u>\$ (20,347)</u>

Amounts related to the common or collective trust, which invests in fully benefit-responsive investment contracts, are recorded on the Form 5500 at fair value.

7. Subsequent Events

In accordance with Accounting Standards Codification (ASC) 855, "Subsequent Events," Plan management has evaluated subsequent events through October 4, 2012, the date the financial statements were available to be issued.

Supplemental Schedule

Schedule I

Fernald 401(k) Savings Plan

EIN #33-0927079 Plan #003

Schedule H, Line 4i – Schedule of Assets
(Held at End of Year)

December 31, 2011

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment	(e) Current Value
	Common or collective trusts		
	Invesco National Trust Company	Stable Value Trust	\$ 1,517,940
	Invesco National Trust Company	U.S. Quantitative Small Value Trust	316,878
	Invesco National Trust Company	500 Index Trust	206,797
	Invesco National Trust Company	International Equity Trust	189,395
			<u>2,231,010</u>
	Mutual funds		
	PIMCO	Total Return Fund	1,103,163
	Davis Advisors	New York Venture Fund	649,482
	American Funds	Balanced Fund	503,954
	Hotchkis & Wiley	Large-Cap Value Fund	95,454
	Dreyfus	Mid-Cap Value Fund	784,382
	American Funds	Growth America Fund	155,881
			<u>3,292,316</u>
			<u>\$ 5,523,326</u>

Column (d) is not applicable for participant-directed investments.

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