

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2012 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>05/31/2012</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>KOLLSMAN, INC. 401(K) SAVINGS PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1996</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1996</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/1996</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>KOLLSMAN, INC.</u> <u>220 DANIEL WEBSTER HIGHWAY</u> <u>MERRIMACK, NH 03054-4844</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>02-0485231</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>603-889-2500</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>333310</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>02-0485231</u>	2c Sponsor's telephone number <u>603-889-2500</u>	2d Business code (see instructions) <u>333310</u>	
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2c Sponsor's telephone number <u>603-889-2500</u>					
2d Business code (see instructions) <u>333310</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature. Signature of plan administrator	<u>08/14/2013</u> Date	<u>AN LE</u> 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
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN
		3c Administrator's telephone number
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		5 658
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	0
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	0
d Subtotal. Add lines 6a , 6b , and 6c	6d	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	0
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 0
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3D 3H		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics 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 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
		2012
		This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning **01/01/2012** and ending **05/31/2012**

A Name of plan KOLLSMAN, INC. 401(K) SAVINGS PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 KOLLSMAN, INC.	D Employer Identification Number (EIN) 02-0485231

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)

HARTFORD RETIREMENT SERVICES, LLLC

26-1589907

(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?
15 37 38 49 50 64 65 99	NA	2700	Yes ☒ No ☐	Yes ☒ No ☐	22081	Yes ☐ No ☒

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

RELIANCE TRUST COMPANY

58-1428634

(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?
19 99	NA	0	Yes ☒ No ☐	Yes ☐ No ☒	917	Yes ☐ No ☒

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

MORNINGSTAR ASSOCIATES, LLC

36-4317381

(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?
49	NA	0	Yes ☒ No ☐	Yes ☐ No ☒	19	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)

BANK OF AMERICA, NA

94-1687665

(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?
56 59 60 63	NA	0	Yes ☒ No ☐	Yes ☐ No ☒	57983	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
HARTFORD RETIREMENT SERVICES, LLC	15	22081
(d) Enter name and EIN (address) of source of indirect compensation BANK OF AMERICA CO 94-1687665		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACH		
MORNINGSTAR ASSOC LLC	49	19
(d) Enter name and EIN (address) of source of indirect compensation HARTFORD LIFE INSURANCE CO 06-0974148		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACH		
RELIANCE TRUST COMPANY	19 99	917
(d) Enter name and EIN (address) of source of indirect compensation HARTFORD LIFE INSURANCE CO 06-0974148		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACH		

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
BANK OF AMERICA	56 59 60 63 72	57983
(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.	
SEE FORM 5500 SCHEDULE C ATTACHMENT 94-1687665	SEE FEE AND COMPENSATION DISCLOSURE REPORT ATTACH	
(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 <hr/> 2012 <hr/> This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 05/31/2012

A Name of plan <u>KOLLSMAN, INC. 401(K) SAVINGS PLAN</u>	B Three-digit plan number (PN)	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>KOLLSMAN, INC.</u>	D Employer Identification Number (EIN) <u>02-0485231</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: STABLE VALUE FUND K

b Name of sponsor of entity listed in (a): WELLS FARGO BANK N.A

c EIN-PN <u>90-6153906-001</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:

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

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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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
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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;">2012</div> This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 05/31/2012		
A Name of plan KOLLSMAN, INC. 401(K) SAVINGS PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 KOLLSMAN, INC.	D Employer Identification Number (EIN) 02-0485231	

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		
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)	1127940	0
	(9) Value of interest in common/collective trusts.....	1c(9)	13777470	0
	(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)	36987844	0
	(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	51893254	0

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	51893254	0
---	-----------	----------	---

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)	400039	
(B) Participants	2a(1)(B)	1308970	
(C) Others (including rollovers)	2a(1)(C)	391117	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		2100126
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)	49905	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		49905
(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)	91100	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		91100
(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
(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

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		94226
(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)		2195758
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		4531115

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1332647	
(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)		1332647
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)	2700	
(3) Investment advisory and management fees	2i(3)	27	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		2727
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1335374

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		3195741
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		5508995

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: **PROVANZANO & MARCHESIANI, PC**

(2) EIN: **04-2930395**

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

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.).....

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.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
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.		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:

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)

ELBIT SYSTEM OF AMERICA CONSOLIDATED 401K SAVINGS PLAN

5b(2) EIN(s)	5b(3) PN(s)
51-0345236	001

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

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 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 05/31/2012

A Name of plan <u>KOLLSMAN, INC. 401(K) SAVINGS PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>KOLLSMAN, INC.</u>	D Employer Identification Number (EIN) <u>02-0485231</u>

Part I	Distributions
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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.
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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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (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 line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

KOLLSMAN, INC.
401(k) Savings Plan

Financial Statements

May 31, 2012 and December 31, 2011

(With Independent Auditors' Report Thereon)

**KOLLSMAN, INC.
401(k) SAVINGS PLAN**

Financial Statements

May 31, 2012 and December 31, 2011

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Provanzano & Marchesiani P.C.

CERTIFIED PUBLIC ACCOUNTANTS

LAKESIDE OFFICE PARK
607 NORTH AVENUE, SUITE F
WAKEFIELD, MA 01880-1635
FAX 781-245-1193

781	245	1100
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Independent Auditors' Report

To the Plan Administrator
Kollsman, Inc. 401(k) Savings Plan:

We were engaged to audit the accompanying Statements of Net Assets Available for Benefits of the Kollsman, Inc. 401(k) Savings Plan (the "Plan") as of May 31, 2012 and December 31, 2011 and the related Statement of Changes in Net Assets Available for Benefits for the period January 1, 2012 to May 31, 2012 as listed in the accompanying table of contents. These financial statements 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 information summarized in Note 4, which was certified by Reliance Trust Company, the custodian of the Plan, except for comparing such information with related information included in the financial statements. We have been informed by the Plan administrator that Reliance Trust Company holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from Reliance Trust Company, as of May 31, 2012 and December 31, 2011 and for the period January 1, 2012 to May 31, 2012, that the information provided to the Plan administrator by Reliance Trust Company 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 taken as a whole. The form and content of the information included in the financial statements, other than that derived from the information certified by Reliance Trust Company, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Provanzano & Marchesiani P.C.

March 6, 2013

KOLLSMAN, INC.
401(k) Savings Plan

Statements of Net Assets Available for Benefits

May 31, 2012 and December 31, 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Investments, at fair value:		
Mutual funds	\$ -	\$ 36,987,844
Common / Collective trust	<u>-</u>	<u>13,777,470</u>
Total investments at fair value	<u>-</u>	<u>50,765,314</u>
Receivables:		
Participants' contribution receivable	-	61,150
Employer's contribution receivable	-	18,504
Notes receivable from participants	<u>-</u>	<u>1,127,940</u>
Total receivables	<u>-</u>	<u>1,207,594</u>
Net assets available for benefits	<u>\$ -</u>	<u>\$ 51,972,908</u>

See accompanying notes to the financial statements.

KOLLSMAN, INC.
401(k) Savings Plan

Statement of Changes in Net Assets Available for Benefits

For the period January 1, 2012 to May 31, 2012

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 2,289,984
Interest and dividends	<u>141,005</u>
Total investment income	<u>2,430,989</u>

Contributions:

Participants' contributions and rollovers	1,638,937
Employer's contributions	<u>381,535</u>
Total contributions	<u>2,020,472</u>

Total additions	<u>4,451,461</u>
-----------------	------------------

Deductions from net assets attributed to:

Benefits paid to participants	1,332,647
Administrative fees	<u>2,727</u>
Total deductions	<u>1,335,374</u>

Net increase	3,116,087
--------------	-----------

Net assets available for benefits, beginning of period	51,972,908
--	------------

Transfer of Plan assets due to merger	<u>(55,088,995)</u>
---------------------------------------	---------------------

Net assets available for benefits, end of period	<u><u>\$ -</u></u>
--	--------------------

See accompanying notes to the financial statements.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

(1) Description of Plan

The following brief description of the Kollsman, Inc. 401(k) Savings Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for more complete information.

(a) General

The Plan is a defined contribution plan, established January 1, 1996, covering all employees of Kollsman, Inc. (the “Company”) who have met age requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

In May 2012, the Board of Directors of Elbit Systems of America, Inc., a controlling party of Kollsman, Inc., approved the merger of this Plan into the Elbit Systems of America Consolidated 401(k) Savings Plan, effective May 31, 2012. As a result, all investments were transferred from this Plan into the Elbit Systems of America Consolidated 401(k) Savings Plan on that date.

(b) Employee Contributions

Participants may contribute, annually, from 1% up to the maximum amount of their annual pretax compensation allowable by law as defined in the Plan. Participant who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan.

(c) Employer Contributions

The Company may, at the discretion of its board of directors, make discretionary matching contributions. The Company may also, at the discretion of its board of directors, make additional discretionary contributions to the Plan, which are allocated to participants based on each participant’s compensation in relation to total compensation of all participants. The Company made matching contributions of \$.50 on each \$1 contributed to the Plan by the participant, up to 6% of the participant’s compensation. In addition, the Company also contributes an additional 3% for all employees hired on or after January 1, 2010 in lieu of participation in the Company's defined benefit plan. No additional discretionary contributions were made by the Company in 2012.

(d) Benefit Payments

Upon termination of service due to death, disability, retirement or termination of employment, a participant may elect to receive the vested value of the participant’s account in a lump sum distribution or installment payments.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

(e) Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(f) Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. All employer contributions and related investment earnings become vested as set forth in the following table:

<u>Completed years of service</u>	<u>Percentage</u>
1	20%
2	40%
3	60%
4	80%
5 or more	100%

Any forfeitures resulting from termination of employment of any participant, or for any other reason, do not serve to increase the benefits of remaining participants, but reduce future employer contributions.

(g) Notes Receivable From Participants

Participant's may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. All loans must generally be repaid over a period no longer than five years or up to fifteen years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at various rates. Principal and interest is paid ratably through payroll deductions.

(h) Forfeitures

At December 31, 2011, forfeited non-vested accounts totaled \$39,922. This account was used to reduce future employer contributions and administrative expenses.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

As described in ASC 962, *Defined Contribution Plans*, investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contract in the common collective trust as well as the adjustment of the fully benefit responsive contract from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

(b) *Investment Valuation and Income Recognition*

Investments, as shown in the accompanying financial statements, are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 10 for disclosure of fair value measurements. All Plan assets were transferred to the Elbit Systems of America Consolidated 401(k) Savings Plan before the close of business on May 31, 2012.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the period.

The incorporation of investment data in the accompanying financial statements is based solely on the certified statements provided by Reliance Trust Company. Such information has not been examined by the Plan's independent auditors.

(c) *Notes Receivable From Participants*

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document.

(d) *Payment of Benefits*

Benefits are recorded when paid.

(e) *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

(f) Recently Adopted Accounting Standards

In September 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-25, *Plan Accounting - Defined Contribution Pension Plans: Reporting Loans to Participants by Defined Contribution Pension Plans*. ASU 2010-25 requires participant loans to be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balances plus any accrued but unpaid interest. ASU No. 2010-25 was effective for year ending December 31, 2010 and was applied retrospectively.

(g) Subsequent Events

The Plan has evaluated subsequent events for potential recognition and disclosure through March 6, 2013, the date the financial statements were available to be issued.

(3) Tax Status

The Internal Revenue Service issued a determination letter to the trustee on March 31, 2008, which stated that the Plan and its underlying trust qualify under Section 401(a) of the Internal Revenue Code (IRC) and, as a result, are exempt from federal income taxes under Section 501(a) of the Code. The Plan has been amended since receiving the determination letter. The Plan administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken uncertain tax positions 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 May 31, 2012 and December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability 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 2009.

(4) Information Certified by the Trustee (Unaudited)

At May 31, 2012 and December 31, 2011, the Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosing under ERISA. Accordingly, Reliance Trust Company, the custodian of the Plan, has certified to the completeness and accuracy of all investments and notes receivable from participants reflected on the accompanying Statement of Net Assets Available for Benefits as of March 31, 2012 and December 31, 2011, and the related investment activity reflected in the Statement of Changes in Net Assets Available for Benefits for the period January 1, 2012 to May 31, 2012.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

The following presents investments that represent five percent or more of the Plan's net assets at December 31, 2011:

Wells Fargo Stable Return – K	\$ 13,777,470
MFS Value Fund – A	6,019,650
Columbia Acorn – Z	5,313,271
T. Rowe Price Extended Equity Market Index	5,059,134
PIMCO Total Return Admin	4,436,780
Columbia Large Cap Index – Z	3,034,307
Mainstay Large Cap Growth – I	<u>2,889,520</u>
 Total	 \$ <u>40,530,132</u>

During the period January 1, 2012 to May 31, 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the period) appreciated in value by \$2,289,984 as follows:

Mutual funds	\$ 2,195,758
Common / Collective trust	<u>94,226</u>
 Total	 \$ <u>2,289,984</u>

(5) Party-in-Interest

The Plan's investments in Stable Asset Fund and Columbia Funds are managed by Bank of America, N.A. Bank of America, N.A. is the trustee, as defined by the Plan and, therefore, these transactions qualify as party-in-interest.

(6) Plan Expenses

Administrative and other expenses are the obligation of the Plan. However, certain plan expenses have been paid by the Company.

(7) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of Net Assets Available for Benefits per the financial statements at December 31, 2011 to Schedule H of the Form 5500:

Net assets available for benefits per the financial statements	\$ 51,972,908
 Participants' contribution receivable	 (61,150)
Employer's contribution receivable	<u>(18,504)</u>
 Net assets available for benefits per Schedule H of Form 5500	 \$ <u>51,893,254</u>

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

The following is a reconciliation of participant and employer contributions per the financial statements for the period January 1, 2012 to May 31, 2012 to Schedule H of the Form 5500:

Total contributions per the financial statements	\$ 2,020,472
Participants' contribution receivable at December 31, 2011	61,150
Employer's contribution receivable at December 31, 2011	<u>18,504</u>
Total contributions per Schedule H of the Form 5500	\$ <u>2,100,126</u>

(8) Related Party Transactions

Fees paid by the Plan sponsor for investment management services amount to approximately \$15,000 for the period January 1, 2012 to May 31, 2012.

(9) Fair Value Measurements

FASB ASC 820 provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability'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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011.

Mutual funds: Valued at the quoted net asset value of shares held by the Plan at year end.

Common / Collective Trust: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issuer.

The preceding methods described may produce a fair value calculation that may not be indicative of net realized value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011:

<u>Assets at Fair Value as of December 31, 2011</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Bond funds	\$ 4,972,820	\$ -	\$ -	\$ 4,972,820
Index funds	6,389,898	-	-	6,389,898
Balanced funds	3,618,971	-	-	3,618,971
Growth funds	22,006,155	-	-	22,006,155
Total mutual funds	36,987,844	-	-	36,987,844
Common / Collective Trust	13,777,470	-	-	13,777,470
Total assets at fair value	\$ <u>50,765,314</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>50,765,314</u>

KOLLSMAN, INC.
401(k) Savings Plan

Financial Statements

May 31, 2012 and December 31, 2011

(With Independent Auditors' Report Thereon)

**KOLLSMAN, INC.
401(k) SAVINGS PLAN**

Financial Statements

May 31, 2012 and December 31, 2011

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Provanzano & Marchesiani P.C.

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781	245	1100
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Independent Auditors' Report

To the Plan Administrator
Kollsman, Inc. 401(k) Savings Plan:

We were engaged to audit the accompanying Statements of Net Assets Available for Benefits of the Kollsman, Inc. 401(k) Savings Plan (the "Plan") as of May 31, 2012 and December 31, 2011 and the related Statement of Changes in Net Assets Available for Benefits for the period January 1, 2012 to May 31, 2012 as listed in the accompanying table of contents. These financial statements 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 information summarized in Note 4, which was certified by Reliance Trust Company, the custodian of the Plan, except for comparing such information with related information included in the financial statements. We have been informed by the Plan administrator that Reliance Trust Company holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from Reliance Trust Company, as of May 31, 2012 and December 31, 2011 and for the period January 1, 2012 to May 31, 2012, that the information provided to the Plan administrator by Reliance Trust Company 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 taken as a whole. The form and content of the information included in the financial statements, other than that derived from the information certified by Reliance Trust Company, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Provanzano & Marchesiani P.C.

March 6, 2013

KOLLSMAN, INC.
401(k) Savings Plan

Statements of Net Assets Available for Benefits

May 31, 2012 and December 31, 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Investments, at fair value:		
Mutual funds	\$ -	\$ 36,987,844
Common / Collective trust	<u>-</u>	<u>13,777,470</u>
Total investments at fair value	<u>-</u>	<u>50,765,314</u>
Receivables:		
Participants' contribution receivable	-	61,150
Employer's contribution receivable	-	18,504
Notes receivable from participants	<u>-</u>	<u>1,127,940</u>
Total receivables	<u>-</u>	<u>1,207,594</u>
Net assets available for benefits	<u>\$ -</u>	<u>\$ 51,972,908</u>

See accompanying notes to the financial statements.

KOLLSMAN, INC.
401(k) Savings Plan

Statement of Changes in Net Assets Available for Benefits

For the period January 1, 2012 to May 31, 2012

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 2,289,984
Interest and dividends	<u>141,005</u>
Total investment income	<u>2,430,989</u>

Contributions:

Participants' contributions and rollovers	1,638,937
Employer's contributions	<u>381,535</u>
Total contributions	<u>2,020,472</u>

Total additions	<u>4,451,461</u>
-----------------	------------------

Deductions from net assets attributed to:

Benefits paid to participants	1,332,647
Administrative fees	<u>2,727</u>
Total deductions	<u>1,335,374</u>

Net increase	3,116,087
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Net assets available for benefits, beginning of period	51,972,908
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Transfer of Plan assets due to merger	<u>(55,088,995)</u>
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Net assets available for benefits, end of period	<u><u>\$ -</u></u>
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See accompanying notes to the financial statements.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

(1) Description of Plan

The following brief description of the Kollsman, Inc. 401(k) Savings Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for more complete information.

(a) General

The Plan is a defined contribution plan, established January 1, 1996, covering all employees of Kollsman, Inc. (the “Company”) who have met age requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

In May 2012, the Board of Directors of Elbit Systems of America, Inc., a controlling party of Kollsman, Inc., approved the merger of this Plan into the Elbit Systems of America Consolidated 401(k) Savings Plan, effective May 31, 2012. As a result, all investments were transferred from this Plan into the Elbit Systems of America Consolidated 401(k) Savings Plan on that date.

(b) Employee Contributions

Participants may contribute, annually, from 1% up to the maximum amount of their annual pretax compensation allowable by law as defined in the Plan. Participant who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan.

(c) Employer Contributions

The Company may, at the discretion of its board of directors, make discretionary matching contributions. The Company may also, at the discretion of its board of directors, make additional discretionary contributions to the Plan, which are allocated to participants based on each participant’s compensation in relation to total compensation of all participants. The Company made matching contributions of \$.50 on each \$1 contributed to the Plan by the participant, up to 6% of the participant’s compensation. In addition, the Company also contributes an additional 3% for all employees hired on or after January 1, 2010 in lieu of participation in the Company's defined benefit plan. No additional discretionary contributions were made by the Company in 2012.

(d) Benefit Payments

Upon termination of service due to death, disability, retirement or termination of employment, a participant may elect to receive the vested value of the participant’s account in a lump sum distribution or installment payments.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

(e) Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(f) Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. All employer contributions and related investment earnings become vested as set forth in the following table:

<u>Completed years of service</u>	<u>Percentage</u>
1	20%
2	40%
3	60%
4	80%
5 or more	100%

Any forfeitures resulting from termination of employment of any participant, or for any other reason, do not serve to increase the benefits of remaining participants, but reduce future employer contributions.

(g) Notes Receivable From Participants

Participant's may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. All loans must generally be repaid over a period no longer than five years or up to fifteen years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at various rates. Principal and interest is paid ratably through payroll deductions.

(h) Forfeitures

At December 31, 2011, forfeited non-vested accounts totaled \$39,922. This account was used to reduce future employer contributions and administrative expenses.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

As described in ASC 962, *Defined Contribution Plans*, investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contract in the common collective trust as well as the adjustment of the fully benefit responsive contract from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

(b) *Investment Valuation and Income Recognition*

Investments, as shown in the accompanying financial statements, are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 10 for disclosure of fair value measurements. All Plan assets were transferred to the Elbit Systems of America Consolidated 401(k) Savings Plan before the close of business on May 31, 2012.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the period.

The incorporation of investment data in the accompanying financial statements is based solely on the certified statements provided by Reliance Trust Company. Such information has not been examined by the Plan's independent auditors.

(c) *Notes Receivable From Participants*

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document.

(d) *Payment of Benefits*

Benefits are recorded when paid.

(e) *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

(f) Recently Adopted Accounting Standards

In September 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-25, *Plan Accounting - Defined Contribution Pension Plans: Reporting Loans to Participants by Defined Contribution Pension Plans*. ASU 2010-25 requires participant loans to be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balances plus any accrued but unpaid interest. ASU No. 2010-25 was effective for year ending December 31, 2010 and was applied retrospectively.

(g) Subsequent Events

The Plan has evaluated subsequent events for potential recognition and disclosure through March 6, 2013, the date the financial statements were available to be issued.

(3) Tax Status

The Internal Revenue Service issued a determination letter to the trustee on March 31, 2008, which stated that the Plan and its underlying trust qualify under Section 401(a) of the Internal Revenue Code (IRC) and, as a result, are exempt from federal income taxes under Section 501(a) of the Code. The Plan has been amended since receiving the determination letter. The Plan administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken uncertain tax positions 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 May 31, 2012 and December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability 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 2009.

(4) Information Certified by the Trustee (Unaudited)

At May 31, 2012 and December 31, 2011, the Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosing under ERISA. Accordingly, Reliance Trust Company, the custodian of the Plan, has certified to the completeness and accuracy of all investments and notes receivable from participants reflected on the accompanying Statement of Net Assets Available for Benefits as of March 31, 2012 and December 31, 2011, and the related investment activity reflected in the Statement of Changes in Net Assets Available for Benefits for the period January 1, 2012 to May 31, 2012.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

The following presents investments that represent five percent or more of the Plan's net assets at December 31, 2011:

Wells Fargo Stable Return – K	\$ 13,777,470
MFS Value Fund – A	6,019,650
Columbia Acorn – Z	5,313,271
T. Rowe Price Extended Equity Market Index	5,059,134
PIMCO Total Return Admin	4,436,780
Columbia Large Cap Index – Z	3,034,307
Mainstay Large Cap Growth – I	<u>2,889,520</u>
 Total	 \$ <u>40,530,132</u>

During the period January 1, 2012 to May 31, 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the period) appreciated in value by \$2,289,984 as follows:

Mutual funds	\$ 2,195,758
Common / Collective trust	<u>94,226</u>
 Total	 \$ <u>2,289,984</u>

(5) Party-in-Interest

The Plan's investments in Stable Asset Fund and Columbia Funds are managed by Bank of America, N.A. Bank of America, N.A. is the trustee, as defined by the Plan and, therefore, these transactions qualify as party-in-interest.

(6) Plan Expenses

Administrative and other expenses are the obligation of the Plan. However, certain plan expenses have been paid by the Company.

(7) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of Net Assets Available for Benefits per the financial statements at December 31, 2011 to Schedule H of the Form 5500:

Net assets available for benefits per the financial statements	\$ 51,972,908
 Participants' contribution receivable	 (61,150)
Employer's contribution receivable	<u>(18,504)</u>
 Net assets available for benefits per Schedule H of Form 5500	 \$ <u>51,893,254</u>

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

The following is a reconciliation of participant and employer contributions per the financial statements for the period January 1, 2012 to May 31, 2012 to Schedule H of the Form 5500:

Total contributions per the financial statements	\$ 2,020,472
Participants' contribution receivable at December 31, 2011	61,150
Employer's contribution receivable at December 31, 2011	<u>18,504</u>
Total contributions per Schedule H of the Form 5500	\$ <u>2,100,126</u>

(8) Related Party Transactions

Fees paid by the Plan sponsor for investment management services amount to approximately \$15,000 for the period January 1, 2012 to May 31, 2012.

(9) Fair Value Measurements

FASB ASC 820 provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability'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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011.

Mutual funds: Valued at the quoted net asset value of shares held by the Plan at year end.

Common / Collective Trust: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issuer.

The preceding methods described may produce a fair value calculation that may not be indicative of net realized value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011:

<u>Assets at Fair Value as of December 31, 2011</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Bond funds	\$ 4,972,820	\$ -	\$ -	\$ 4,972,820
Index funds	6,389,898	-	-	6,389,898
Balanced funds	3,618,971	-	-	3,618,971
Growth funds	22,006,155	-	-	22,006,155
Total mutual funds	36,987,844	-	-	36,987,844
Common / Collective Trust	13,777,470	-	-	13,777,470
Total assets at fair value	\$ <u>50,765,314</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>50,765,314</u>

KOLLSMAN, INC.
401(k) Savings Plan

Financial Statements

May 31, 2012 and December 31, 2011

(With Independent Auditors' Report Thereon)

**KOLLSMAN, INC.
401(k) SAVINGS PLAN**

Financial Statements

May 31, 2012 and December 31, 2011

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Provanzano & Marchesiani P.C.

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FAX 781-245-1193

781	245	1100
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Independent Auditors' Report

To the Plan Administrator
Kollsman, Inc. 401(k) Savings Plan:

We were engaged to audit the accompanying Statements of Net Assets Available for Benefits of the Kollsman, Inc. 401(k) Savings Plan (the "Plan") as of May 31, 2012 and December 31, 2011 and the related Statement of Changes in Net Assets Available for Benefits for the period January 1, 2012 to May 31, 2012 as listed in the accompanying table of contents. These financial statements 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 information summarized in Note 4, which was certified by Reliance Trust Company, the custodian of the Plan, except for comparing such information with related information included in the financial statements. We have been informed by the Plan administrator that Reliance Trust Company holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from Reliance Trust Company, as of May 31, 2012 and December 31, 2011 and for the period January 1, 2012 to May 31, 2012, that the information provided to the Plan administrator by Reliance Trust Company 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 taken as a whole. The form and content of the information included in the financial statements, other than that derived from the information certified by Reliance Trust Company, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Provanzano & Marchesiani P.C.

March 6, 2013

KOLLSMAN, INC.
401(k) Savings Plan

Statements of Net Assets Available for Benefits

May 31, 2012 and December 31, 2011

	<u>2012</u>	<u>2011</u>
Assets:		
Investments, at fair value:		
Mutual funds	\$ -	\$ 36,987,844
Common / Collective trust	-	13,777,470
Total investments at fair value	<u>-</u>	<u>50,765,314</u>
Receivables:		
Participants' contribution receivable	-	61,150
Employer's contribution receivable	-	18,504
Notes receivable from participants	-	1,127,940
Total receivables	<u>-</u>	<u>1,207,594</u>
Net assets available for benefits	<u>\$ -</u>	<u>\$ 51,972,908</u>

See accompanying notes to the financial statements.

KOLLSMAN, INC.
401(k) Savings Plan

Statement of Changes in Net Assets Available for Benefits

For the period January 1, 2012 to May 31, 2012

Additions to net assets attributed to:

Investment income:

Net appreciation in fair value of investments	\$ 2,289,984
Interest and dividends	<u>141,005</u>
Total investment income	<u>2,430,989</u>

Contributions:

Participants' contributions and rollovers	1,638,937
Employer's contributions	<u>381,535</u>
Total contributions	<u>2,020,472</u>

Total additions	<u>4,451,461</u>
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Deductions from net assets attributed to:

Benefits paid to participants	1,332,647
Administrative fees	<u>2,727</u>
Total deductions	<u>1,335,374</u>

Net increase	3,116,087
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Net assets available for benefits, beginning of period	51,972,908
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Transfer of Plan assets due to merger	<u>(55,088,995)</u>
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Net assets available for benefits, end of period	<u><u>\$ -</u></u>
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See accompanying notes to the financial statements.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

(1) Description of Plan

The following brief description of the Kollsman, Inc. 401(k) Savings Plan (the “Plan”) provides only general information. Participants should refer to the Plan agreement for more complete information.

(a) General

The Plan is a defined contribution plan, established January 1, 1996, covering all employees of Kollsman, Inc. (the “Company”) who have met age requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

In May 2012, the Board of Directors of Elbit Systems of America, Inc., a controlling party of Kollsman, Inc., approved the merger of this Plan into the Elbit Systems of America Consolidated 401(k) Savings Plan, effective May 31, 2012. As a result, all investments were transferred from this Plan into the Elbit Systems of America Consolidated 401(k) Savings Plan on that date.

(b) Employee Contributions

Participants may contribute, annually, from 1% up to the maximum amount of their annual pretax compensation allowable by law as defined in the Plan. Participant who have attained age 50 before the end of the plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other defined contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan.

(c) Employer Contributions

The Company may, at the discretion of its board of directors, make discretionary matching contributions. The Company may also, at the discretion of its board of directors, make additional discretionary contributions to the Plan, which are allocated to participants based on each participant’s compensation in relation to total compensation of all participants. The Company made matching contributions of \$.50 on each \$1 contributed to the Plan by the participant, up to 6% of the participant’s compensation. In addition, the Company also contributes an additional 3% for all employees hired on or after January 1, 2010 in lieu of participation in the Company's defined benefit plan. No additional discretionary contributions were made by the Company in 2012.

(d) Benefit Payments

Upon termination of service due to death, disability, retirement or termination of employment, a participant may elect to receive the vested value of the participant’s account in a lump sum distribution or installment payments.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

(e) Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of (a) the Company's contribution and, (b) Plan earnings, and charged with an allocation of administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(f) Vesting

Participants are vested immediately in their contributions plus actual earnings thereon. All employer contributions and related investment earnings become vested as set forth in the following table:

<u>Completed years of service</u>	<u>Percentage</u>
1	20%
2	40%
3	60%
4	80%
5 or more	100%

Any forfeitures resulting from termination of employment of any participant, or for any other reason, do not serve to increase the benefits of remaining participants, but reduce future employer contributions.

(g) Notes Receivable From Participants

Participant's may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50 percent of their vested account balance. All loans must generally be repaid over a period no longer than five years or up to fifteen years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at various rates. Principal and interest is paid ratably through payroll deductions.

(h) Forfeitures

At December 31, 2011, forfeited non-vested accounts totaled \$39,922. This account was used to reduce future employer contributions and administrative expenses.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

As described in ASC 962, *Defined Contribution Plans*, investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Statement of Net Assets Available for Benefits presents the fair value of the investment contract in the common collective trust as well as the adjustment of the fully benefit responsive contract from fair value to contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

(b) *Investment Valuation and Income Recognition*

Investments, as shown in the accompanying financial statements, are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 10 for disclosure of fair value measurements. All Plan assets were transferred to the Elbit Systems of America Consolidated 401(k) Savings Plan before the close of business on May 31, 2012.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the period.

The incorporation of investment data in the accompanying financial statements is based solely on the certified statements provided by Reliance Trust Company. Such information has not been examined by the Plan's independent auditors.

(c) *Notes Receivable From Participants*

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent notes receivable from participants are recorded as a distribution based upon the terms of the Plan document.

(d) *Payment of Benefits*

Benefits are recorded when paid.

(e) *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

(f) Recently Adopted Accounting Standards

In September 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2010-25, *Plan Accounting - Defined Contribution Pension Plans: Reporting Loans to Participants by Defined Contribution Pension Plans*. ASU 2010-25 requires participant loans to be classified as notes receivable from participants, which are segregated from plan investments and measured at their unpaid principal balances plus any accrued but unpaid interest. ASU No. 2010-25 was effective for year ending December 31, 2010 and was applied retrospectively.

(g) Subsequent Events

The Plan has evaluated subsequent events for potential recognition and disclosure through March 6, 2013, the date the financial statements were available to be issued.

(3) Tax Status

The Internal Revenue Service issued a determination letter to the trustee on March 31, 2008, which stated that the Plan and its underlying trust qualify under Section 401(a) of the Internal Revenue Code (IRC) and, as a result, are exempt from federal income taxes under Section 501(a) of the Code. The Plan has been amended since receiving the determination letter. The Plan administrator believes the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the organization has taken uncertain tax positions 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 May 31, 2012 and December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability 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 2009.

(4) Information Certified by the Trustee (Unaudited)

At May 31, 2012 and December 31, 2011, the Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosing under ERISA. Accordingly, Reliance Trust Company, the custodian of the Plan, has certified to the completeness and accuracy of all investments and notes receivable from participants reflected on the accompanying Statement of Net Assets Available for Benefits as of March 31, 2012 and December 31, 2011, and the related investment activity reflected in the Statement of Changes in Net Assets Available for Benefits for the period January 1, 2012 to May 31, 2012.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

The following presents investments that represent five percent or more of the Plan's net assets at December 31, 2011:

Wells Fargo Stable Return – K	\$ 13,777,470
MFS Value Fund – A	6,019,650
Columbia Acorn – Z	5,313,271
T. Rowe Price Extended Equity Market Index	5,059,134
PIMCO Total Return Admin	4,436,780
Columbia Large Cap Index – Z	3,034,307
Mainstay Large Cap Growth – I	<u>2,889,520</u>
 Total	 \$ <u>40,530,132</u>

During the period January 1, 2012 to May 31, 2012, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the period) appreciated in value by \$2,289,984 as follows:

Mutual funds	\$ 2,195,758
Common / Collective trust	<u>94,226</u>
 Total	 \$ <u>2,289,984</u>

(5) Party-in-Interest

The Plan's investments in Stable Asset Fund and Columbia Funds are managed by Bank of America, N.A. Bank of America, N.A is the trustee, as defined by the Plan and, therefore, these transactions qualify as party-in-interest.

(6) Plan Expenses

Administrative and other expenses are the obligation of the Plan. However, certain plan expenses have been paid by the Company.

(7) Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of Net Assets Available for Benefits per the financial statements at December 31, 2011 to Schedule H of the Form 5500:

Net assets available for benefits per the financial statements	\$ 51,972,908
 Participants' contribution receivable	 (61,150)
Employer's contribution receivable	<u>(18,504)</u>
 Net assets available for benefits per Schedule H of Form 5500	 \$ <u>51,893,254</u>

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

The following is a reconciliation of participant and employer contributions per the financial statements for the period January 1, 2012 to May 31, 2012 to Schedule H of the Form 5500:

Total contributions per the financial statements	\$ 2,020,472
Participants' contribution receivable at December 31, 2011	61,150
Employer's contribution receivable at December 31, 2011	<u>18,504</u>
Total contributions per Schedule H of the Form 5500	\$ <u>2,100,126</u>

(8) Related Party Transactions

Fees paid by the Plan sponsor for investment management services amount to approximately \$15,000 for the period January 1, 2012 to May 31, 2012.

(9) Fair Value Measurements

FASB ASC 820 provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability'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. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

KOLLSMAN, INC.
401(k) Savings Plan

Notes to Financial Statements

May 31, 2012 and December 31, 2011

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011.

Mutual funds: Valued at the quoted net asset value of shares held by the Plan at year end.

Common / Collective Trust: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issuer.

The preceding methods described may produce a fair value calculation that may not be indicative of net realized value or reflective of future values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011:

<u>Assets at Fair Value as of December 31, 2011</u>				
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds:				
Bond funds	\$ 4,972,820	\$ -	\$ -	\$ 4,972,820
Index funds	6,389,898	-	-	6,389,898
Balanced funds	3,618,971	-	-	3,618,971
Growth funds	22,006,155	-	-	22,006,155
Total mutual funds	36,987,844	-	-	36,987,844
Common / Collective Trust	13,777,470	-	-	13,777,470
Total assets at fair value	\$ <u>50,765,314</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>50,765,314</u>

Effective January 1, 2013 - Role of MassMutual

Massachusetts Mutual Life Insurance Company (together, with its affiliates, "MassMutual") acquired The Hartford's Retirement Plans business effective January 1, 2013. In connection with the acquisition, MassMutual has been appointed to provide all administrative services necessary to support the Administrative Services Agreement for your plan. In this role, MassMutual receives all charges, fees and compensation payable to The Hartford for the services provided to your plan under the packaged retirement services programs. Additionally, MassMutual and its affiliates are responsible for marketing and selling the retirement plan services programs and paying compensation to Financial Intermediaries for sales and marketing activities related to the retirement plan services programs.

For Form 5500 Schedule C reporting purposes, all Direct Compensation items (e.g., fees distributed from participant accounts) plus certain Indirect Compensation items (e.g., sales commissions) are reported on a Plan Year basis, and all remaining Indirect Compensation items (e.g., revenue sharing) are reported on a Calendar Year basis. As a result, if your 2012 Plan Year is an off-calendar year Plan Year (e.g., July 1, 2012 - June 30, 2013) certain of your Plan's Schedule C information may list multiple entities as payors or payees of Direct and Indirect Compensation.

Massachusetts Mutual Life Insurance Company: EIN 04-1590850

MassMutual Retirement Services, LLC (formerly Hartford Retirement Services, LLC): EIN 26-1589907

Hartford Life Insurance Company: EIN 06-0974148

Hartford Securities Distribution Company, Inc.: EIN 06-1408044

Fee and Compensation Disclosure Report

This document is intended to assist a plan administrator (“you”) in completing the Form 5500 Schedule C¹ by identifying different types of compensation paid with respect to the Hartford product utilized by your plan.

As permitted under the Schedule C rules, compensation is disclosed in the attached report as an actual dollar amount, an estimate or a formula or rate.

- Where an actual dollar amount of compensation is disclosed, no further notation regarding compensation calculations is generally provided.
- Where an estimate of the compensation amount is disclosed, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount.
- Where a formula or rate is provided to report compensation, we have used a reasonable method to arrive at the estimate and we have described the method used to arrive at the estimated amount. This formula or rate may be disclosed to describe the compensation to which it applies under the Schedule C rules. Alternatively, for purposes of Schedule C disclosure or in connection with your fiduciary review of the compensation paid with respect to the services, products and investment options utilized by the plan, you may calculate and disclose an actual or estimated dollar amount by multiplying the rate by the total assets to which it applies.

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2012 - 12/31/2012 and indirect compensation is presented on a calendar year basis ending 12/31/2012.

This report includes compensation actually paid to or by the Hartford within the indicated plan year as part of your Hartford product. *(Note: If the plan year period or plan year end indicated in this Schedule C reporting package is incorrect, please notify your Hartford customer service representative immediately).* This report does not include amounts deducted from plan assets and paid to third parties (other than Hartford). In addition, the report does not include compensation related to investments held by the plan that are not serviced on our recordkeeping system. You should contact your other service providers for reportable compensation information. You may also receive information on the compensation reported here from other service providers as is described below.

Please note that we have provided suggested service codes with respect to services provided through our Hartford product. Please review all Schedule C and other Form 5500 materials with your experienced benefits counsel and other professionals to determine the most appropriate codes for your plan. In addition, please note that because plans with fewer than 100 participants (as of the beginning of the plan year) are generally not required to file Schedule C, you should refer to the instructions provided by the IRS for Schedule C and/or review the applicability of Schedule C to your plan with your experienced tax/benefits counsel, to determine whether it is necessary for the plan to report the information contemplated by this report.

Please contact your Hartford Service Team should you require additional information regarding the compensation paid to or by Hartford with respect to your plan.

Information provided in this document and related materials we provide are not intended to be and shall not be deemed tax advice, tax form preparation services, legal advice, advice to plans regarding compliance with ERISA reporting compliance, or accounting or other professional services. As described above, the information contained in this report may not cover all of the compensation received by the plan’s service providers. We strongly encourage you to review all Schedule C and other Form 5500 materials with experienced benefits counsel and other professionals.

¹ Please refer to the Schedule C of the Form 5500 and its instructions (available at: <http://www.dol.gov/ebsa/5500main.html>), and please confer with experienced benefits counsel and other professionals, to determine the applicability of Schedule C to your plan.

FORM 5500 SCHEDULE C REPORT
SCHEDULE C, LINE 2(h) AND LINE 3(e) FORMULA DESCRIPTION

KOLLSMAN, INC. 401(K) SAVINGS PLAN (500086)
EIN #: 02-0485231

Please note that, unless otherwise indicated in the descriptions contained in this report, direct compensation is presented on a plan year basis 01/01/2012 - 12/31/2012 and indirect compensation is presented on a calendar year basis ending 12/31/2012.

For use with lines 2(h), 3(c), 3(d), 3(e)

Total Direct Compensation Paid **\$2,700.00**

The total amount identified above reflects all fees deducted from plan assets at the plan administrator's direction for the plan year. Service providers which have received portions of these direct fees are listed below, along with the amount of fees they received. Please note that if there is a discrepancy between the total direct fees reported above and the sum of the direct fees reported below, you should contact your other service providers or your plan records to identify the recipient(s) of the fees and any other information relevant to your Schedule C filing.

Recipient: Hartford Retirement Services, LLC EIN: 26-1589907

Service Codes: 15, 37, 38, 49, 64, 65, 99, 50 (if direct compensation amount reflected below)

Direct Compensation **\$2,700.00**

The total amount identified above reflects fees deducted from plan assets at the plan administrator's direction for the 2012 plan year for the above named recipient. Please review other service providers, below, to determine whether direct fees were also paid to them. Also, please review your records to determine whether other service providers may have received any compensation not reported below (e.g., a reimbursement paid to any plan fiduciary, your employee benefits counsel, or a plan auditor).

Note: Due to system accounting protocols (including 'cash basis' accounting), amounts reported as Direct Compensation and amounts reported as paid to Hartford Retirement Services, LLC are the net result of aggregating direct compensation after the effects of adjustments processed in 2012, some of which may have pertained to prior years.

Please review the detailed breakdown at the end of the report for further information.

Indirect Compensation

Recordkeeping Service Fees	Payor: Bank of America Corporation	EIN: 94-1687665	\$22,081.00
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Non Monetary Compensation

Please note that items of nonmonetary compensation need to be reported for Schedule A or C (Form 5500) purposes if they exceed certain *de minimus* amounts. Transactions generating nonmonetary compensation may include gifts, gratuities, or certain types of in-kind benefits. Hartford's Code of Ethics and Business Conduct generally restricts Hartford employees from giving to or receiving gifts from customers and/or business partners having a value of over \$100, in any individual situation, without prior approval. However, it is possible that one or more of your service providers for the calendar year, including Hartford, engaged in transactions generating nonmonetary compensation. Information concerning reportable transactions undertaken between or among non-Hartford parties may not be available to The Hartford.

Please consult with your legal or tax advisors if you have any questions.

Recipient: Bank of America Corporation EIN: 94-1687665

Direct/Indirect Compensation

Bank of America Corporation issue their own fee, expense, and revenue-sharing disclosures directly to Plan Sponsors. Please refer to these disclosures for more detail about indirect and direct fees charged by, or paid to, Bank of America Corporation.

Recipient: Morningstar Associates, LLC EIN: 36-4317381

Service Code: 49

Indirect Compensation

"Managed by You" services fee Payor: Hartford Life Insurance Company EIN: 06-0974148 \$18.61

This is an estimate determined by dividing a flat annual fee paid to Morningstar by the number of plans to whom this feature is made available.

Recipient: Reliance Trust Company EIN: 58-1428634

Indirect Compensation

Custodial/Trust service fee \$916.70

Service Codes: 19, 25, 99

Payors: Hartford Life Insurance Company EIN: 06-0974148
 Hartford Retirement Services, LLC EIN: 26-1589907

This is an estimate based on multiplying actual 2012 month end assets by 0.005%/12 and then summing the results.

Direct Revenue Detail

Recipient: *Hartford Retirement Services, LLC*

<u>Fee Description</u>	<u>Dollar Amount</u>
Loan Set-up Fee	\$2,700.00
Total Direct Revenue:	<hr/> \$2,700.00
 Grand Total Direct Fees:	 <hr/> \$2,700.00