# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2012**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

**A** This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] 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. . . . . ▶ [X]

**D** Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES RETIREMENT PLAN FOR BARGAINED EMPLOYEES

**1b** Three-digit plan number (PN) ▶ 025

**1c** Effective date of plan 02/28/2005

**2a** Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES INC.

600 THIRD AVENUE
NEW YORK, NY 10016-1901

3100 W. LOMITA BOULEVARD
PO BOX 2999, M/S 230/111
TORRANCE, CA 90509-2999

**2b** Employer Identification Number (EIN) 91-2046609

**2c** Sponsor's telephone number 212-697-1111

**2d** Business code (see instructions) 334200

**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. | 09/19/2013 | PAT HEMPHILL |
| | **Signature of plan administrator** | Date | Enter name of individual signing as plan administrator |
| **SIGN HERE** | | | |
| | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | | | |
| | **Signature of DFE** | Date | Enter name of individual signing as DFE |

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 [X] 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: | **4b** EIN | |
| **a** Sponsor's name | **4c** PN | |
| **5** Total number of participants at the beginning of the plan year | **5** | 359 |
| **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** | 217 |
| **b** Retired or separated participants receiving benefits | **6b** | 90 |
| **c** Other retired or separated participants entitled to future benefits | **6c** | 30 |
| **d** Subtotal. Add lines **6a**, **6b**, and **6c** | **6d** | 337 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | **6e** | 2 |
| **f** Total. Add lines **6d** and **6e** | **6f** | 339 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | |
| **h** Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 0 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1A 1G 3F 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)** | [X] | 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)** | [X] | 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)** | [X] | **R** (Retirement Plan Information) |
| **(2)** | [ ] | **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary |
| **(3)** | [X] | **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |

**b General Schedules**

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

# SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

**2012**

**This Form is Open to Public Inspection**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

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

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

**A** Name of plan
L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES RETIREMENT PLAN FOR BARGAINED EMPLOYEES

**B** Three-digit plan number (PN) ▶ 025

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES INC.

**D** Employer Identification Number (EIN)
91-2046609

**E** Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

**F** Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

## Part I Basic Information

| | | | | |
|---|---|---|---|---|
| 1 | Enter the valuation date: Month 01 Day 01 Year 2012 | | | |
| 2 | Assets: | | | |
| | a Market value | 2a | | 52660972 |
| | b Actuarial value | 2b | | 52810568 |
| 3 | Funding target/participant count breakdown: | | (1) Number of participants | (2) Funding Target |
| | a For retired participants and beneficiaries receiving payment | 3a | 67 | 12504047 |
| | b For terminated vested participants | 3b | 27 | 900444 |
| | c For active participants: | | | |
| | (1) Non-vested benefits | 3c(1) | | 4212740 |
| | (2) Vested benefits | 3c(2) | | 32532638 |
| | (3) Total active | 3c(3) | 265 | 36745378 |
| | d Total | 3d | 359 | 50149869 |
| 4 | If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ] | | | |
| | a Funding target disregarding prescribed at-risk assumptions | 4a | | |
| | b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | 4b | | |
| 5 | Effective interest rate | 5 | | 7.09 % |
| 6 | Target normal cost | 6 | | 2053467 |

**Statement by Enrolled Actuary**

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

**SIGN HERE**

| | |
|---|---|
| | 07/10/2013 |
| Signature of actuary | Date |
| JIMMY MAK, ASA, MAAA | 11-05788 |
| Type or print name of actuary | Most recent enrollment number |
| SIBSON CONSULTING | 212-251-5000 |
| Firm name | Telephone number (including area code) |
| 333 W 34TH STREET<br>NEW YORK, NY 10001-2402 | |
| Address of the firm | |

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

## Part II Beginning of Year Carryover Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 2406886 | 0 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 2406886 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 0 | 0 |
| 10 | Interest on line 9 using prior year's actual return of 3.53% | 0 | 0 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 7664 |
| | b Interest on (a) using prior year's effective interest rate of 6.33% except as otherwise provided (see instructions) | | 271 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 7935 |
| | d Portion of (c) to be added to prefunding balance | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections | 0 | 0 |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 0 | 0 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | 105.30 % |
| 15 | Adjusted funding target attainment percentage | 15 | 105.30 % |
| 16 | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement | 16 | 84.14 % |
| 17 | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage | 17 | % |

## Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| 04/12/2012 | 1163000 | | 03/07/2012 | | 9309 |
| 07/05/2012 | 1163000 | | 03/21/2012 | | 9257 |
| 01/03/2012 | | 10926 | 04/04/2012 | | 9152 |
| 01/13/2012 | | 11824 | 04/18/2012 | | 9150 |
| 02/08/2012 | | 9176 | 05/03/2012 | | 9127 |
| 03/01/2012 | | 9332 | 05/16/2012 | | 9039 |
| | | | Totals ► 18(b) | 2326000 | 18(c) 214098 |

| | | | |
|---|---|---|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | | |
| | a Contributions allocated toward unpaid minimum required contributions from prior years. | 19a | 0 |
| | b Contributions made to avoid restrictions adjusted to valuation date | 19b | 0 |
| | c Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 2264220 |

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] Yes [ ] No

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

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---|---|---|---|
| 0 | 0 | 0 | 0 |

## Part II Beginning of Year Carryover Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | | |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | | |
| 9 | Amount remaining (line 7 minus line 8) | | |
| 10 | Interest on line 9 using prior year's actual return of _____% | | |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | **a** Present value of excess contributions (line 38a from prior year) | | |
| | **b** Interest on (a) using prior year's effective interest rate of _____% except as otherwise provided (see instructions) | | |
| | **c** Total available at beginning of current plan year to add to prefunding balance | | |
| | **d** Portion of (c) to be added to prefunding balance | | |
| 12 | Other reductions in balances due to elections or deemed elections | | |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | | |

## Part III Funding Percentages

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

## Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| 06/01/2012 | | 9443 | 08/23/2012 | | 8837 |
| 06/20/2012 | | 8913 | 09/10/2012 | | 8488 |
| 06/28/2012 | | 8909 | 10/03/2012 | | 8257 |
| 07/12/2012 | | 8886 | 10/17/2012 | | 7979 |
| 07/25/2012 | | 8577 | 11/06/2012 | | 8118 |
| 08/13/2012 | | 8771 | 11/21/2012 | | 7790 |
| | | | Totals ► 18(b) | | 18(c) |

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

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---|---|---|---|
| | | | |

## Part II Beginning of Year Carryover Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | | |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | | |
| 9 | Amount remaining (line 7 minus line 8) | | |
| 10 | Interest on line 9 using prior year's actual return of _____% | | |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | |
| | b Interest on (a) using prior year's effective interest rate of _____% except as otherwise provided (see instructions) | | |
| | c Total available at beginning of current plan year to add to prefunding balance | | |
| | d Portion of (c) to be added to prefunding balance | | |
| 12 | Other reductions in balances due to elections or deemed elections | | |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | | |

## Part III Funding Percentages

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

## Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| 12/12/2012 | | 7429 | | | |
| 12/26/2012 | | 7409 | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | Totals ► 18(b) | | 18(c) |

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

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---|---|---|---|
| | | | |

## Part V Assumptions Used to Determine Funding Target and Target Normal Cost

**21** Discount rate:

**a** Segment rates:

| 1st segment: | 2nd segment: | 3rd segment: | |
|---|---|---|---|
| 5.54% | 6.85% | 7.52 % | ☐ N/A, full yield curve used |

| | | |
|---|---|---|
| **b** Applicable month (enter code) | **21b** | 4 |
| **22** Weighted average retirement age | **22** | 61 |

**23** Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

## Part VI Miscellaneous Items

| | | |
|---|---|---|
| **24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. | ☒ Yes | ☐ No |
| **25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. | ☐ Yes | ☒ No |
| **26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. | ☒ Yes | ☐ No |

| | | |
|---|---|---|
| **27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment | **27** | |

## Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

## Part VIII Minimum Required Contribution For Current Year

**31** Target normal cost and excess assets (see instructions):

| | | |
|---|---|---|
| **a** Target normal cost (line 6) | **31a** | 2053467 |
| **b** Excess assets, if applicable, but not greater than line 31a | **31b** | 2053467 |

| **32** Amortization installments: | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 0 | 0 |
| **b** Waiver amortization installment | 0 | 0 |

| | | |
|---|---|---|
| **33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount | **33** | |
| **34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) | **34** | 0 |

| | Carryover balance | Prefunding balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement | 0 | 0 | 0 |

| | | |
|---|---|---|
| **36** Additional cash requirement (line 34 minus line 35) | **36** | 0 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | **37** | 2264220 |
| **38** Present value of excess contributions for current year (see instructions) | | |
| **a** Total (excess, if any, of line 37 over line 36) | **38a** | 2264220 |
| **b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances | **38b** | 0 |
| **39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) | **39** | 0 |
| **40** Unpaid minimum required contributions for all years | **40** | 0 |

## Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

| | | |
|---|---|---|
| **42** Amount of acceleration adjustment | **42** | |
| **43** Excess installment acceleration amount to be carried over to future plan years | **43** | |

# SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

## DFE/Participating Plan Information

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

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2012**

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

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

**A** Name of plan
L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES RETIREMENT PLAN FOR BARGAINED EMPLOYEES

**B** Three-digit plan number (PN) ▶ 025

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES INC.

**D** Employer Identification Number (EIN)
91-2046609

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

**a** Name of MTIA, CCT, PSA, or 103-12 IE: L-3 COMM. CORPORATION MASTER TRUST

**b** Name of sponsor of entity listed in (a): L-3 COMMUNICATIONS CORPORATION

| **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) |
|---|---|---|
| 13-3937436-020 | M | 57249147 |

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

**a** Plan name

| **b** Name of plan sponsor | **c** EIN-PN |
|---|---|

# SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2012**

**This Form is Open to Public Inspection**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

**A** Name of plan
L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES RETIREMENT PLAN FOR BARGAINED EMPLOYEES

**B** Three-digit plan number (PN) ▶ 025

**C** Plan sponsor's name as shown on line 2a of Form 5500
L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES INC.

**D** Employer Identification Number (EIN)
91-2046609

## Part I Asset and Liability Statement

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

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | | |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| **(1)** Employer contributions | 1b(1) | 1673000 | 0 |
| **(2)** Participant contributions | 1b(2) | | |
| **(3)** Other | 1b(3) | | |
| **c** General investments: | | | |
| **(1)** Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | | |
| **(2)** U.S. Government securities | 1c(2) | | |
| **(3)** Corporate debt instruments (other than employer securities): | | | |
| **(A)** Preferred | 1c(3)(A) | | |
| **(B)** All other | 1c(3)(B) | | |
| **(4)** Corporate stocks (other than employer securities): | | | |
| **(A)** Preferred | 1c(4)(A) | | |
| **(B)** Common | 1c(4)(B) | | |
| **(5)** Partnership/joint venture interests | 1c(5) | | |
| **(6)** Real estate (other than employer real property) | 1c(6) | | |
| **(7)** Loans (other than to participants) | 1c(7) | | |
| **(8)** Participant loans | 1c(8) | | |
| **(9)** Value of interest in common/collective trusts | 1c(9) | | |
| **(10)** Value of interest in pooled separate accounts | 1c(10) | | |
| **(11)** Value of interest in master trust investment accounts | 1c(11) | 51016600 | 57249147 |
| **(12)** Value of interest in 103-12 investment entities | 1c(12) | | |
| **(13)** Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | | |
| **(14)** Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| **(15)** Other | 1c(15) | | |

| | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **1d** Employer-related investments: | | | |
| **(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 | 52689600 | 57249147 |
| **Liabilities** | | | |
| **g** Benefit claims payable | 1g | | |
| **h** Operating payables | 1h | 92563 | 86797 |
| **i** Acquisition indebtedness | 1i | | |
| **j** Other liabilities | 1j | | |
| **k** Total liabilities (add all amounts in lines 1g through1j) | 1k | 92563 | 86797 |
| **Net Assets** | | | |
| **l** Net assets (subtract line 1k from line 1f) | 1l | 52597037 | 57162350 |

## 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) | 2326000 | |
| **(B)** Participants | 2a(1)(B) | 214096 | |
| **(C)** Others (including rollovers) | 2a(1)(C) | | |
| **(2)** Noncash contributions | 2a(2) | | |
| **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 2540096 |
| **b Earnings on investments:** | | | |
| **(1)** Interest: | | | |
| **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | | |
| **(B)** U.S. Government securities | 2b(1)(B) | | |
| **(C)** Corporate debt instruments | 2b(1)(C) | | |
| **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| **(E)** Participant loans | 2b(1)(E) | | |
| **(F)** Other | 2b(1)(F) | | |
| **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | |
| **(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) | | |
| **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | |
| **(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) | | |
| **(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) | | |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | 7048102 |
| (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) | | |
| c Other income | 2c | | 0 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 9588198 |
| **Expenses** | | | |
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 4674354 | |
| (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) | | 4674354 |
| 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) | 348531 | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | | |
| (4) Other | 2i(4) | | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 348531 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 5022885 |
| **Net Income and Reconciliation** | | | |
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 4565313 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

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

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

**(1)** [X] 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 [X] No

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

**(1)** Name: PRICEWATERHOUSECOOPERS, LLP **(2)** EIN: 13-4008324

**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:

| | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 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.) | 4c | | 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.) | 4d | | X | |
| e | Was this plan covered by a fidelity bond? | 4e | X | | 20000000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | 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? | 4g | | 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? | 4h | | 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.) | 4i | | 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.) | 4j | | 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? | 4k | | X | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | 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. | 4n | | | |

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

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

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

## 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.**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

**A** Name of plan
L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES RETIREMENT PLAN FOR BARGAINED EMPLOYEES

**B** Three-digit plan number (PN) ▶ 025

**C** Plan sponsor's name as shown on line 2a of Form 5500
L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES INC.

**D** Employer Identification Number (EIN)
91-2046609

## Part I Distributions

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

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... **1** 0

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 13-7074646

**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** 19

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

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6** **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ..... **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ..... **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ..... **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

## Part III Amendments

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

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

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

**11** **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

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

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

# L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES
# RETIREMENT PLAN FOR BARGAINED EMPLOYEES

Financial Statements as of
and for the Years Ended
December 31, 2012 and 2011

**L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES RETIREMENT PLAN FOR BARGAINED EMPLOYEES**
**INDEX TO FINANCIAL STATEMENTS**


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Note: Supplemental schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA) have been omitted as the conditions under which they are required are not present.

## Independent Auditor's Report

To the Participants and Administrator of the
L-3 Communications Electron Technologies Retirement Plan for Bargained Employees:

We have audited the accompanying financial statements of L-3 Communications Electron Technologies Retirement Plan for Bargained Employees (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statements of changes in net assets available for benefits for the years then ended and the statement of accumulated plan benefits as of January 1, 2012, and the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of December 31, 2012 and changes therein for the year then ended and its financial status as of December 31, 2011, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

September 10, 2013

**L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES RETIREMENT PLAN FOR BARGAINED EMPLOYEES**
**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**
**AS OF DECEMBER 31, 2012 AND 2011**
**(Dollars in thousands)**

| | 2012 | 2011 |
|---|---|---|
| Assets: | | |
| Interest in Master Trust, at fair value | $ 57,249 | $ 51,017 |
| Employer contribution receivable | — | 1,673 |
| Total assets | 57,249 | 52,690 |
| Liabilities: | | |
| Accrued expenses | 87 | 93 |
| Net assets available for benefits | $ 57,162 | $ 52,597 |

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

**L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES RETIREMENT PLAN FOR BARGAINED EMPLOYEES**
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**
**FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**
**(Dollars in thousands)**

| Additions: | 2012 | 2011 |
|---|---|---|
| Interest in Master Trust investment income | $ 7,048 | $ 1,636 |
| Employer contributions | 2,326 | 2,410 |
| Employee contributions | 214 | 268 |
| Total additions | 9,588 | 4,314 |
| Deductions: | | |
| Benefit payments | 4,674 | 4,001 |
| Plan expenses | 349 | 357 |
| Total deductions | 5,023 | 4,358 |
| Net increase (decrease) | 4,565 | (44) |
| Net assets available for benefits, beginning of year | 52,597 | 52,641 |
| Net assets available for benefits, end of year | $ 57,162 | $ 52,597 |

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

**L-3 COMMUNICATIONS ELECTRON TECHNOLOGIES RETIREMENT PLAN FOR BARGAINED EMPLOYEES**
**STATEMENTS OF ACCUMULATED PLAN BENEFITS AND CHANGES IN ACCUMULATED PLAN BENEFITS**
**AS OF AND FOR THE YEAR ENDED JANUARY 1, 2012**
**(Dollars in thousands)**

| **Statement of Accumulated Plan Benefits:** | **January 1, 2012** |
|---|---|
| Actuarial present value of accumulated plan benefits | |
| Vested benefits: | |
| Participants currently receiving benefits | $ 11,812 |
| Other participants | 41,972 |
| Total vested benefits | 53,784 |
| Non-vested benefits | 5,334 |
| Total actuarial present value of accumulated plan benefits | $ 59,118 |

| **Statement of Changes in Accumulated Plan Benefits:** | **Year Ended January 1, 2012** |
|---|---|
| Actuarial present value of accumulated plan benefits as of January 1, 2011 | $ 55,451 |
| Increase (decrease) during the year attributable to: | |
| Benefits accumulated and actuarial experience | 440 |
| Increase for interest due to decrease in discount period | 4,159 |
| Benefits paid | (4,001) |
| Change in actuarial assumptions[(1)] | 3,069 |
| Net increase | 3,667 |
| Actuarial present value of accumulated plan benefits as of January 1, 2012 | $ 59,118 |

[(1)] See Note 4 for changes in the more significant assumptions in the underlying actuarial computations for the year ended January 1, 2012.

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

## *1. Plan Description*

The following brief description of the L-3 Communications Electron Technologies Retirement Plan for Bargained Employees (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

The Plan was established effective February 28, 2005 in connection with the acquisition of Boeing Satellite Systems, Inc. by L-3 Communications Corporation (the "Company"), a wholly owned subsidiary of L-3 Communications Holdings, Inc., from the Boeing Company. On that date, the Plan accepted a transfer of assets and liabilities attributable to certain employees of Boeing Satellite Systems, Inc. who participated in The Boeing Satellite Systems Retirement Plan for Bargained Employees (the "Prior Plan").

The Plan is a defined benefit plan covering bargaining unit employees, who are eligible to participate in the non-contributory and/or contributory benefit. Participation in the Plan commenced as of the effective date when an employee was represented by a collective bargaining agreement that specifically provided for coverage under the Plan.

Under the contributory benefit participation, the Plan requires employee contributions for eligible employees under the Prior Plan with active or rehired status as of February 27, 2005. Participation in the contributory benefit requires employees' contribution of 3% of pay, as defined under the Plan. Active employees' accumulated contributions with interest for the years ended December 31, 2012 and 2011 were $7,175 and $8,564, respectively. Employee contributions were credited interest at a rate of 1.40% and 2.34% per annum for the years ended December 31, 2012 and 2011.

The contributory portion of the Plan is frozen to any employee hired after the effective date of the Plan. The Plan is frozen for all portions as of January 1, 2007 with respect to new hires who are represented by the Electronic and Space Technicians Local 1533 ("EAST"). As such, employees hired on or after January 1, 2007, who are represented by EAST are not eligible to participate in the Plan. The Plan is frozen for all portions as of May 31, 2007 with respect to new hires who are hired on or after June 1, 2007 and are represented by the International Brotherhood of Electrical Workers Local 2995 ("IBEW 2995").

The Plan is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

## *2. Summary of Significant Accounting Policies*

Basis of Accounting

The accompanying financial statements are prepared using the accrual basis of accounting.

Interest in Master Trust

Investment assets of the Plan are maintained in the L-3 Communications Corporation Master Trust (the "Master Trust") administered by The Bank of New York Mellon, as Trustee. The Plan participates in the Master Trust along with other defined benefit plans sponsored by the Company (collectively, the "L-3 Participating Plans"). The only investment of the Plan is its undivided interest in the net assets of the Master Trust. The fair value of the Plan's interest in the Master Trust is determined based on the beginning of year value of the Plan's undivided interest in the trust plus actual contributions and allocated investment income (loss) less actual distributions and actual administrative expenses. Assets held in the Master Trust primarily consist of corporate equity securities, commingled trust funds and mutual funds, and corporate bonds. See Note 6 for a description of the valuation methodologies of the assets of the Master Trust.

The Master Trust records investment transactions on the trade-date, dividend income on the ex-dividend date, interest income as earned and determines realized gains and losses on sales of securities based on the average cost method.

Net Investment Income from Master Trust

The net investment income from the Master Trust includes interest and dividend income and net appreciation or depreciation in the fair value of investments, which includes net gains or losses realized upon disposition of investments and net unrealized appreciation or depreciation of investments. The net investment income or loss is allocated to the L-3 Participating Plans based upon the relationship of each plan's respective monthly balances in the investment pool to the total investments of the Master Trust, as determined on a monthly basis.

Benefit Payments

Benefit payments are recorded when paid.

Plan Expenses

The administrative expenses of the Plan are paid for by the Plan. Administrative expenses are allocated to the Plan at the direction of the Company based upon the Plan's respective portion of the expense. Investment management fees of the Master Trust are allocated to the L-3 Participating Plans based upon the relationship of each plan's respective monthly balances in the investment pool to the total investments of the Master Trust, as determined on a monthly basis.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make significant estimates and assumptions that affect the reported amounts of assets, liabilities,

benefit obligations, and changes therein, disclosures of contingent assets, liabilities and benefit obligations, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results will differ from those estimates.

Risks and Uncertainties

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

The investments held in the Master Trust are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in risks in the near term would materially affect the investments and related allocation reported in the Statements of Net Assets Available for Benefits and the Statements of Changes in Net Assets Available for Benefits.

Subsequent Events

The Plan continued to evaluate events after the Statement of Net Assets Available for Benefits date through September 10, 2013, the date the financial statements were available to be issued.

### *3. Contributions*

Generally, the Company's funding policy is to contribute amounts in accordance with the Internal Revenue Code ("IRC") and the minimum funding requirements under ERISA. There was no funding required from the Company to the Plan in 2012 under the minimum funding requirements of ERISA. Contributions required from the Company in 2011 to the Plan under the minimum funding requirements of ERISA were $2,241. Contributions are calculated using the Projected Unit Credit Actuarial Cost Method. Under this method, the total actuarial liability for participants is the actuarial present value as of the valuation date of all benefits attributed by the pension benefit formula to employee service rendered prior to that date, which assumes the normal cost will increase each year for each employee as he or she approaches retirement age . The yield (interest, dividends and net realized and unrealized gains and losses) on investments of the Plan serves to adjust future contributions that will be required to provide for the defined level of benefits. The funding target is measured on an accrual-to-date basis using mandated mortality tables and interest rates with no salary projection past the end of the year.

Each active participant may elect to contribute to their participant contribution account for each payroll period prior to their retirement date 3% of compensation earned during the plan year.

### *4. Plan Benefits*

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service that employees have rendered. Accumulated plan benefits include benefits expected to be paid to (*a*) retired or terminated employees or their beneficiaries, (*b*) beneficiaries of employees who have died, and (*c*) present employees or their beneficiaries.

Participants are entitled to receive pension benefits beginning at the normal retirement age of 65 equal to the greatest of the following:

(i) Final Average Monthly Compensation Benefit:
1¾% of final average earnings per year of benefit accrual service, less social security primary insurance amount times 1½% of total accrued service (up to 33⅓ years) times benefit accrued service over total accrued service.

Final Average Monthly Compensation means $^{1}/_{12}^{th}$ of the amount derived by dividing the participant's aggregate compensation paid within 30 days following his or her separation from service attributed to the lesser of the 5 highest of his or her last 10 qualifying 12 accounting month periods.

(ii) Career Average Benefit:
$^{1}/_{24}^{th}$ of total participant contributions through December 1, 1985, plus accrued benefit as of December 31, 1975 less $^{1}/_{24}^{th}$ of participant contributions as of December 31, 1975, plus $^{1}/_{12}^{th}$ of the sum of 1% of annual pay up to $3.6 and 2% of annual pay over $3.6.

(iii) Minimum Benefit:
Thirteen dollars (increased to twenty dollars effective June 1, 2007) plus 1/2 % of Final Average Monthly Compensation.

The Plan permits early retirement at age 55 for participants. The benefit may begin at the date of early retirement and is the greater of the Actuarial Equivalent using an interest rate of 4.0% and the applicable mortality table of the accrued benefit as of April 30, 2003 or the total vested accrued benefit reduced by 6% for each year by which commencement of benefits precedes the retiree's $65^{th}$ birthday. Actuarial Equivalent is the equivalent of a given benefit or its optional form as described in the Plan document. Retirees may elect to receive their pension benefits in the form of a joint and survivor annuity or a life annuity payable monthly from the date of retirement. Under the joint and survivor annuity, if a vested participant dies prior to the date pension benefits commence, the surviving spouse of the deceased vested participant generally receives benefits equal to 50% of the amount which would have been payable to the retiree under the applicable joint and survivor annuity. Under the life annuity, there are no continuing payments after the death of the retiree. If participants are terminated before completing 5 years of service, they forfeit the right to receive their accumulated benefits.

The actuarial present value of the accumulated plan benefits is determined by an independent actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of January 1, 2012 and 2011 were:

| | |
|---|---|
| Mortality basis | RP-2000 Combined Annuitant and Non-Annuitant Tables with static projection through the valuation date plus another 7 years for annuitants and 15 years for non-annuitants. |
| Retirement | 2012: Retirement starting at age 55 through 70, with varying rates, with 100% by age 70.<br><br>2011: Retirement starting at 55 through 69, at varying rates, with 100% by age 69. |
| Discount rate for the determination of the present value of accumulated plan benefits | 2012 – 8.25%; and 2011 – 7.5% |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors may be applicable in determining the actuarial present value of accumulated Plan benefits. The computation of the actuarial present value of accumulated plan benefits was made as of January 1, 2012.

### *5. Master Trust Investments*

The fair value of the assets and liabilities of the Master Trust at December 31, 2012 and 2011 is presented in the table below. The Plan's percentage interest in the Master Trust was 3.2% at December 31, 2012 and 3.5% at December 31, 2011.

| | 2012 | 2011 |
|---|---|---|
| Corporate equity securities | $ 1,114,363 | $ 860,292 |
| Commingled trust funds and mutual funds | 556,650 | 524,547 |
| Corporate bonds | 101,019 | 82,858 |
| Forward contracts | (107) | 264 |
| Accrued income | 3,741 | 3,701 |
| Unsettled trades, net | 288 | 758 |
| | $ 1,775,954 | $ 1,472,420 |

The following presents the investment income of the Master Trust for the years ended December 31, 2012 and 2011.

| | 2012 | 2011 |
|---|---|---|
| Net appreciation of investments | $ 166,841 | $ 9,565 |
| Interest | 7,724 | 6,674 |
| Dividends | 33,021 | 29,848 |
| Other | 78 | 256 |
| | $ 207,664 | $ 46,343 |

The following presents the net appreciation (depreciation) in fair value of the Master Trust's investments, including realized gains and losses, and the unrealized appreciation and depreciation of investments for the years ended December 31, 2012 and 2011.

| | 2012 | 2011 |
|---|---|---|
| Corporate equity securities | $ 129,976 | $ 15,978 |
| Commingled trust funds and mutual funds | 26,453 | (3,523) |
| Corporate bonds | 10,371 | (3,087) |
| Forward contracts | (360) | 246 |
| Other | 401 | (49) |
| | $ 166,841 | $ 9,565 |

### *6. Fair Value Measurements*

The Plan adopted the standards for fair value measurements. The provisions of the standards are applicable to all of the Plan's assets and liabilities that are measured and recorded at fair value. The Benefit Plan Committee determines the Plan's valuation policies utilizing information provided by the investment advisors and custodian. The standards establish a framework for measuring fair value and expand related disclosures. The standards define fair value as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants. It establishes a fair value hierarchy that gives the highest priority to observable inputs and the lowest priority to unobservable inputs. The three levels of the fair value hierarchy are described below.

Level 1: Quoted market prices available in active markets for identical assets or liabilities as of the reporting date. The Plan's Level 1 assets include equity securities, a mutual fund classified under Fixed Income – Investment Grade and Real Estate Investment Trusts, all of which fair value is derived from quoted market prices.

Level 2: Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. The fair value is determined using a valuation model based on observable market inputs. The Plan's Level 2 assets primarily include commingled trust funds and corporate high-yield bonds.

Level 3: Pricing inputs that are generally unobservable inputs and not corroborated by market data. The Plan has no Level 3 assets.

The table below reports by level, within the fair value hierarchy, the assets held in the Master Trust at fair value as of December 31, 2012 and 2011, including a description of the valuation methodologies. As required by the standards, each asset is classified based on the lowest level of input that is significant to the fair value measurement. There were no transfers during the year between levels 1, 2 or 3.

| | Fair Value Measured at December 31, 2012 | | | | Fair Value Measured at December 31, 2011 | | | |
|---|---|---|---|---|---|---|---|---|
| Asset Category | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| Equity securities[1]: | | | | | | | | |
| U.S. Equity | $ 905,144 | $ — | $ — | $ 905,144 | $ 717,777 | $ — | $ — | $ 717,777 |
| International Equity | 67,605 | 118,590 | — | 186,195 | 65,732 | 101,520 | — | 167,252 |
| Fixed Income — Investment Grade[2] | 196,806 | 199,003 | — | 395,809 | 188,868 | 188,388 | — | 377,256 |
| Fixed Income — High Yield[3] | — | 106,785 | — | 106,785 | — | 87,023 | — | 87,023 |
| Real Estate Investment Trusts[4] | 139,767 | — | — | 139,767 | 101,176 | — | — | 101,176 |
| Other[5] | — | 42,254 | — | 42,254 | — | 21,936 | — | 21,936 |
| Total | $ 1,309,322 | $ 466,632 | $ — | $1,775,954 | $ 1,073,553 | $ 398,867 | $ — | $1,472,420 |

(1) Equity securities consist of investments in common stock of U.S. and international companies. The fair value of equity securities is based on quoted market prices available in active markets at the close of a trading day, primarily the New York Stock Exchange (NYSE), National Association of Securities Dealers Automated Quotations (NASDAQ), and various international exchanges. The Level 2 investment balance is derived from a regulated commingled equity trust fund, which fair value is based on the net asset value (NAV) at the end of each month. The NAV is calculated by the fund manager based on the fair value of the funds holdings, primarily equity securities traded in active markets, determined as of the end of each month. Withdrawals are permitted monthly based on NAV.

(2) Approximately 50% of plan assets that are invested in the Fixed Income — Investment Grade asset category consist of a mutual fund offered by a registered investment company (the "Fund"). The Fund invests in investment grade fixed income securities, mortgaged-backed securities, U.S. treasury and agency bonds and corporate bonds. This Fund is classified by the Company as a Level 1 measurement within the fair value hierarchy. The remaining 50% of plan assets are invested in a regulated commingled bond trust fund (the "Bond Fund") and classified as Level 2. As this Bond Fund does not trade in an active market, the fair value is based on NAVs calculated by fund managers based on yields currently available on comparable bonds of issuers with similar credit ratings, quoted prices of similar bonds in an active market, or cash flows based on observable inputs. Withdrawals are permitted monthly based on NAV.

(3) Fixed Income — High Yield consists of investments in corporate high-yield bonds from various industries. The fair values of these investments are based on yields currently available on comparable bonds of issuers with similar credit ratings, quoted prices of similar bonds in an active market, or cash flows based on observable inputs.

(4) Real Estate Investment Trusts (REITs) consist of securities that trade on the major exchanges and invest directly in real estate, either through properties or mortgages.

(5) Other consists primarily of cash equivalents maintained in commingled trust funds, which invest primarily in short term, high quality money market securities such as government obligations, commercial paper, time deposits and certificates of deposit, and are classified as Level 2.

## *7. Tax Status*

The Internal Revenue Service has determined and informed the Company by a letter dated March 9, 2012, that the Plan is designed in accordance with the applicable sections of the IRC. The Plan has been amended since receiving the determination letter. The Plan administrator and the Plan's counsel believe that the Plan is designed and is currently being operated in compliance with the applicable regulations of the IRC; therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions by the Plan, and has concluded that as of December 31, 2012, there are no uncertain tax 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 the year ended December 31, 2009.

The Plan recognizes accrued interest and penalties related to unrecognized tax benefits in tax expense. There were no interest and penalties included in the Plan's financial statements.

### *8. Related Party Transactions*

Certain plan investments held in the Master Trust are units of a commingled trust fund managed by BNY Mellon, the Plan's trustee. As described in Note 2, the Plan (through the Master Trust) paid certain expenses related to plan operations and investment activity to various service providers. These transactions are exempt party in interest transactions under ERISA.

### *9. Termination Priorities*

While the Company has not expressed any intention to do so, subject to collective bargaining, it is free to discontinue its contributions at any time and to terminate the Plan, subject to collective bargaining and the provisions set forth in ERISA.

In the event the Plan terminates, the net assets of the Plan will be allocated as specified by the Plan in accordance with ERISA, generally to provide the following benefits in the order indicated:

a. Benefits attributable to employee contributions, taking into account those paid out before termination.

b. Benefits attributable to participants who have retired at least three years before the termination date of the Plan or those participants who were eligible to retire and receive pension benefits at least three years before, but who did not elect to retire at that time.

c. Benefits commencing at retirement age to participants who are eligible to receive guaranteed benefits under ERISA.

d. All vested and non-vested benefits.

Whether participants receive all benefits to which they are entitled under the terms of the Plan should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation, up to specified limits.

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Line 26 – Schedule of Active Participant Data**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Participants in Active Service by Age and Years of Benefit Service as of January 1, 2012

| | Years of Benefit Service | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Age | Under 1 | 1-4 | 5-9 | 10-14 | 15-19 | 20-24 | 25-29 | 30-34 | 35-39 | 40 & Over |
| Under 25 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 25-29 | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 30-34 | -- | -- | 1 | -- | -- | -- | -- | -- | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 35-39 | -- | 1 | 2 | 2 | -- | -- | -- | -- | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 40-44 | -- | 1 | 2 | 5 | -- | -- | -- | -- | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 45-49 | -- | 2 | 1 | 5 | 8 | 3 | 1 | -- | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 50-54 | -- | 1 | 6 | 4 | 8 | 11 | 14 | 8 | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 55-59 | -- | 1 | 11 | 9 | 13 | 12 | 20 | 3 | 1 | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 60-64 | -- | 1 | 3 | 6 | 4 | 3 | 13 | 1 | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 65-69 | -- | -- | -- | 1 | 2 | 3 | 5 | -- | -- | 1 |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |
| 70 & Over | -- | -- | -- | 1 | -- | 1 | 1 | 1 | -- | -- |
| | -- | -- | -- | -- | -- | -- | -- | -- | -- | -- |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Statement of Actuarial Assumptions/Methods**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Actuarial Assumptions and Methodologies

| | |
|---|---|
| **Interest:** | The interest rates used for the 2012 plan year are the 24-month average corporate bond yields for September 2011. This valuation reflects the plan sponsor decision for the 2012 plan year not to opt out of funding stabilization. Under stabilization, the interest rates used for funding purposes are calculated in the usual manner but are then constrained to be within a corridor around a 25-year average. These discount rates are 5.54% for payments in the first 5 years, 6.85% for payments in years 6 – 20, and 7.52% for payments thereafter, which translates to an effective interest rate of 7.09%. Before reflecting funding stabilization, the discount rates are 2.06% for payments in the first 5 years, 5.25% for payments in years 6 – 20, and 6.32% for payments thereafter, which translates to an effective interest rate of 5.65%. (Prior year 24-month average corporate bond rates were 3.78% for payments in the first 5 years, 6.31% for payments in years 6 – 20, and 6.57% for payments thereafter, which translates to an effective interest rate of 6.33%.)<br>The yield curve used to determine the PBGC variable rate premium is the same as funding without reflecting funding stabilization. |
| **Interest on Employee Contributions** | 3.00% (Previously 7.00%) |
| **Mortality rates:** | RP2000 combined annuitant and non-annuitant tables with static projection. Mortality is projected through the valuation date plus another 7 years for annuitants, and through the valuation date plus another 15 years for non-annuitants. This assumption is one of the choices allowed by the regulations. |
| **Salary Increases:** | 4.00% (previously 5.50%) |
| **Cost of living increase** | 2.50% for Social Security COLA and postretirement benefit adjustments (previously, 3.00%)<br>3.50% for Social Security Wage Base (previously, 4.00%) |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Statement of Actuarial Assumptions/Methods**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Actuarial Assumptions and Methodologies *continued*

**Assumed Form of Benefit:**

Contributory

100% are assumed to elect a five-year certain annuity (previously, 75% were assumed to elect a five-year certain annuity and 25% were assumed to elect a single life annuity.

Non-contributory

100% are assumed to elect a ten-year certain annuity (previously, 33% were assumed to elect a ten-year certain annuity and 67% were assumed to elect a single life annuity.)

Actuarial Equivalence for the five-year and the ten-year certain payment options is based on the PPA Lump Sum mandated mortality table for 2012 and the same interest rates as used for funding. A post-retirement cost-of-living assumption of 4.00% is applied when converting to alternative benefit payment options under the contributory structure (previously, was based on the current lump sum statutory mortality table and an interest rate of 6.00%.)

**Sample termination rates:**

None

Previously:

| Age | Male | Female |
|---|---|---|
| 20 | 10.0% | 25.0% |
| 25 | 7.2% | 19.4% |
| 30 | 6.4% | 14.0% |
| 35 | 5.4% | 9.4% |
| 40 | 4.4% | 6.2% |
| 45 | 3.5% | 4.5% |
| 50 | 2.5% | 3.5% |
| 55 | 0% | 0% |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Statement of Actuarial Assumptions/Methods**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Actuarial Assumptions and Methodologies *continued*

**Retirement (from active status) rates:**

| | Benefit Structure | |
|---|---|---|
| **Age** | **Contributory** | **Non Contributory** |
| 55 | 20.00% | 10.00% |
| 56-59 | 10.00% | 5.00% |
| 60-61 | 15.00% | 5.00% |
| 62 | 15.00% | 25.00% |
| 63-64 | 15.00% | 15.00% |
| 65 | 35.00% | 35.00% |
| 66-69 | 20.00% | 20.00% |
| 70 | 100.00% | 100.00% |

Previously:

| | Benefit Structure | | |
|---|---|---|---|
| **Age** | **Contributory** | **Non Contributory** | **R75 Contributory*** |
| 55 | 20% | 10% | 25% |
| 56-59 | 11% | 5% | 16% |
| 60-61 | 15% | 5% | 20% |
| 62 | 22% | 25% | 27% |
| 63-64 | 22% | 15% | 27% |
| 65 | 40% | 50% | 45% |
| 66-68 | 30% | 20% | 35% |
| 69 | 100% | 100% | 100% |

** For contributory participants who are eligible for the Rule of 75 unreduced early retirement benefits*

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Statement of Actuarial Assumptions/Methods**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Actuarial Assumptions and Methodologies *continued*

| | | | |
|---|---|---|---|
| **Retirement from inactive status:** | Age 65 | | |
| **Percent married:** | 70% male, 55% female | | |
| **Age difference:** | Husbands are three years older than their wives. | | |
| **Administrative expenses:** | An expense assumption is required under the funding rules. Plan-related expenses of $200,000 are expected to be paid by the plan during the year (previously, 185,000.) | | |
| **Asset method:** | As selected by the plan sponsor, assets are determined by averaging the market value as of the valuation date and the adjusted market values as of the preceding two years. The resulting value is limited to between 90% to 110% of market value of assets. The adjusted market values reflect cash flow and expected earnings to the valuation date. The expected earnings are based on an assumed rate of return of 7.50%, not to exceed the applicable third segment rate of 6.82% in 2010 and 6.57% in 2011. | | |
| **Funding method:** | Funding method is unit credit actuarial cost method, as prescribed by law. The liability is measured on an accrual-to-date basis using mandated mortality tables and interest rates with no salary projection past the end of the year. | | |
| **Assumption changes since prior valuation:** | Assumption Type | Current Assumption | Prior Assumption |
| | Taxable Wage Base Increase | 3.50% | 4.00% |
| | Consumer Price Index | 2.50% | 3.00% |
| | Return on Employee Contributions | 3.00% | 7.00% |
| | Salary Increase | 4.00% | 5.50% |
| | Administrative Expense | $200,000 | $185,000 |
| | Turnover | None | Age/Sex-based schedule |
| | Retirement | Age-based schedule for contributory and non-contributory participants with new rates | Age-based schedule for contributory eligible for unreduced early retirement, all other contributory, and non-contributory participants |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Statement of Actuarial Assumptions/Methods**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Actuarial Assumptions and Methodologies *continued*

| | | | |
|---|---|---|---|
| **Assumption changes since prior valuation:** | Forms of Payment | Contributory<br>100% elect 5 year certain-only<br><br>Non-Contributory<br>100% elect 10 year certain-only | Contributory<br>75% assumed to elect 5 year certain-only<br>25% assumed to elect a single life annuity.<br><br>Non-Contributory<br>33% assumed to elect 10 year certain-only<br>67% assumed to elect a single life annuity. |
| | Actuarial Equivalence for certain-only form of payment | Based on the PPA Lump Sum mandated mortality table for the valuation year and the same interest rates as used for funding. | Based on the current lump sum statutory mortality table and an interest rate of 6.00% |
| | *The above changes were based on Sibson Consulting's November 2011 analysis. The assumption changes did not result in a decrease in the ERISA funding shortfall for the current plan that would require IRS approval.* | | |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Summary of Plan Provisions**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Summary of Plan Provisions

This subsection summarizes the major provisions of the Plan as included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

<table>
<tr><td colspan="2">PLAN STATUS: CLOSED TO NEW HIRES;<br>The plan is closed to employees hired on or after June 1, 2007. Employees hired prior to June 1, 2007 will receive ongoing accruals. The plan is also closed to Employees who are (a) members of Electronic and Space Technicians Local 1553 and were hired on or after January 1, 2007, or (b) members of IBEW Local 2995 and were hired on or after June 1, 2007.</td></tr>
<tr><td colspan="2">Normal retirement:</td></tr>
<tr><td>Age requirement:</td><td>65</td></tr>
<tr><td>Service requirement:</td><td>None</td></tr>
<tr><td>Amount:</td><td><u>Contributory Benefit Structure:</u><br>Greatest of the following, including COLA:<br>i. Final Average Monthly Compensation Benefit:<br>a. 1¾% of Final Average Earnings per year of Benefit Accrual Service, less<br>b. Social Security Primary Insurance Amount at the Normal Retirement age times a factor of: 1½% of Total Accrued Service (up to 33-1/3 years), times the ratio of Benefit Accrual Service over Total Accrued Service. For retirements prior to age 62, the factors is not greater than<br>
<table>
<tr><th>Age at Separation</th><th>Maximum Factor</th></tr>
<tr><td>55</td><td>.37</td></tr>
<tr><td>56</td><td>.39</td></tr>
<tr><td>57</td><td>.42</td></tr>
<tr><td>58</td><td>.44</td></tr>
<tr><td>59</td><td>.47</td></tr>
<tr><td>60</td><td>.49</td></tr>
<tr><td>61</td><td>.50</td></tr>
</table>
ii. Career Average Benefit:<br>a. 1/24 of total Participant contributions through 12/1/1985 (net of unrepaid withdrawals), plus</td></tr>
</table>

## Summary of Plan Provisions *continued*

| | |
|---|---|
| | b. Accrued Benefit as of 12/31/75 less 1/24th of Participant contributions as of 12/31/75, *plus*<br>c. 1/12th of [1% of first $3,600 of annual pay plus 2% of annual pay over $3,600,] for all Benefit Accrual Service years after 1985.<br>iii. Minimum Benefit:<br>$20 + ½% of Final Average Earnings, per year of Benefit Accrual Service.<br>iv.Equivalent Mandatory Contributions:<br>Actuarial equivalent of mandatory employee contributions with interest.<br><br><u>Non-Contributory Benefit Structure:</u><br>Monthly benefit equal to i. plus ii. less iii., reduced per Early Retirement reductions if Normal Retirement is before Social Security Normal Retirement:<br>i. 1½% of Final Average Earnings per year of Benefit Accrual Service included in the first 35 years of Total Accrual Service, *plus*<br>ii. ½% of Final Average Earnings per year of Benefit Accrual Service included in the Total Benefit Accrual Service in excess of 35 years, *less*<br>iii. 0.6% of Final Average Earnings not in excess of Social Security Covered Compensation per year of Benefit Accrual Service included in the first 35 years of Total Accrual Service. |
| **Early Retirement** | |
| Regular Early Retirement Benefit:: | Benefit determined as for normal retirement, based on credited service to early retirement date. Vested Accrued Benefit payable immediately with a reduction equal to 6% for each year (and a proportional reduction for partial years) that the participant's early retirement date precedes age 65. COLA applies for Contributory benefit structure participants. |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Summary of Plan Provisions**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Summary of Plan Provisions *continued*

| | |
|---|---|
| Early Retirement Date: | Age 55 with at least 5 years of vesting service |
| Early Retirement Benefits: | 50/15 Early Retirement Benefit (Contributory benefit structure; applicable post-1990 layoffs only): Benefit determined as for normal retirement, based on credited service to early retirement date, payable immediately, with reduction of 1½% for each month from the date benefits commence to age when they would have fulfilled the rule of 75, but no less than Actuarial Equivalent, including COLA.<br>62/10 Early Retirement Benefit (Non-contributory benefit structure only): Benefit determined as for normal retirement, based on credited service to early retirement date, payable immediately without reduction as long as the Participant has reached age 62.<br>Rule of 75 Early Retirement Benefit (Contributory benefit structure only): Benefit determined as for normal retirement, based on credited service to early retirement date, payable immediately without reduction, including COLA. |
| **Deferred retirement:** | Contributory Benefit Structure: Benefit determined as for normal retirement, based on employee's credited service to actual retirement date with an actuarial equivalent adjustment for the accrued benefit derived from participant contributions, including COLA.<br>Non-Contributory Benefit Structure: Normal Retirement Benefit payable immediately with Benefit Accrual Service, Social Security Covered Compensation and Final Average Compensation determined as of the Late Retirement Date. |
| **Disability** | None |
| **Vesting:** | The earlier of five years of vesting service and age 65 |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Summary of Plan Provisions**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Summary of Plan Provisions *continued*

| **Pre-retirement death benefits:** | |
|---|---|
| Contributory Benefit Structure: | i. If not vested, a lump sum of the Participant contributions Account is paid to the beneficiary.<br><br>ii. If vested, but not eligible for retirement, the surviving spouse of a married Participant is entitled to a choice of a lifetime benefit of a 50% Survivor Annuity, without COLA, or a lump sum of the Participant Contributions Account and 50% Survivor Annuity of Employer paid benefit, without COLA. Payments commence on the first day of the month following death or, if later, the earliest date on which the employee would have been eligible to retire based on service at death.<br><br>iii. If vested, and eligible for retirement, the surviving spouse of a married Participant is entitled to a choice of a lifetime benefit of a 100% Survivor Annuity, with COLA, or a lump sum of the Participant Contributions Account and 100% Survivor Annuity of Employer paid benefit, with COLA. Payments commence on the first day of the month following death or, if later, the earliest date on which the employee would have been eligible to retire based on service at death.<br><br>iv. If a former Participant dies before age 55, the surviving spouse is entitled to a choice of a lifetime benefit of 50% survivor annuity, without COLA, or a lump sum of the Participant Contributions Account and 50% Survivor Annuity of Employer paid benefit, without COLA.<br><br>v. If a former Participant dies after age 55, the surviving spouse is entitled to a choice of a lifetime benefit of 100% survivor annuity, without COLA, or a lump sum of the Participant Contributions Account and 100% Survivor Annuity of Employer paid benefit, without COLA. |
| Non-Contributory Benefit Structure: | The surviving spouse of a married vested Participant is entitled to a lifetime benefit of a 50% survivor annuity, payable at what would have been the Participant's Early Retirement Date. |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Summary of Plan Provisions**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Summary of Plan Provisions *continued*

| **Forms of Benefit:** | |
|---|---|
| Normal Form: | Single life annuity, if single; 50% joint and survivor, if married. |
| Optional Forms: | Contributory Benefit Structure:<br>Joint and 66 2/3% survivor annuity.<br>Joint and 75% survivor annuity.<br>Joint and 100% survivor annuity.<br>A certain only annuity with guarantees of 5, 10, or 15 years. Benefits are converted to a certain only form of payment based on factors that assume 4% COLA.<br>Life annuity with period certain guarantees of 10 years. Benefits are converted to a certain and life form of payment based on factors that assume 4% COLA.<br>Accelerated income option<br>Non-Contributory Benefit Structure:<br>Joint and 75% survivor annuity.<br>Joint and 100% survivor annuity.<br>A certain only annuity with guarantees of 10 years.<br>Life annuity with period certain guarantees of 10 years. |
| Lump sum Benefit | Benefits with a present value less than or equal to $1,000 are automatically cashed out. Benefits with a present value greater than $1,000 but less than or equal to $5,000 are eligible for a lump sum distribution but it will not be paid to the participant prior to his Normal Retirement Age without the participant's consent. If the present value is over $5,000 but less than or equal to $15,000, the participant can elect the lump sum with the spouse's consent. |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Summary of Plan Provisions**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Summary of Plan Provisions *continued*

| | |
|---|---|
| **Actuarial Equivalence:** | Joint and survivor: GA71(80/20) Male with 4% interest rate<br><br>Other Forms: GAR94 (50/50) projected to 2002 with 6% interest rate |
| **Participation:** | An Employee who is 1) represented by a collective bargaining agent, and 2) covered by the terms of a collective bargaining agreement that specifically provide coverage for the Employee is eligible to participate in this Plan. An Employee covered by any other defined benefit plan maintained by a member of the Controller Group is not eligible to participate in this Plan.<br><br>Eligibility for the contributory benefit structure was a closed group when L-3 purchased the plan. |
| **Benefit Accrual Service:** | Contributory Benefit Structure:<br><br>Months of service when Employee contributions were made by the participant, or as a participant in the Income Insurance Plan.<br><br>Non-Contributory Benefit Structure:<br><br>Months of service while employed by the Company plus applicable service while employed by appropriate Hughes divisions prior to February 28, 2005. |
| **Total Accrual Service:** | Benefit Accrual Service in this Plan, plus the appropriate Benefit Accrual Service pursuant to the Boeing Satellite Systems Retirement Plan. |
| **Final Average Compensation:** | Average Monthly Compensation for five highest consecutive years out of the final 10 consecutive years while an Eligible Employee. |
| **Cost of Living Adjustment (COLA):** | Contributory Benefit Structure:<br><br>Annual cost of living adjustments from .96 up to 1.04 based on the annual change in CPI, Urban consumers, U.S. cities, as of the September before the applicable calendar year.<br><br>Non-Contributory Benefit Structure:<br><br>None |
| **Employee Contributions:** | Contributory Benefit Structure:<br><br>An active Participant contributes 3% of Compensation earned in a Plan Year. |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Part V – Summary of Plan Provisions**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Summary of Plan Provisions *continued*

| | |
|---|---|
| | Non-Contributory Benefit Structure:<br>None |
| **Section 415 limit:** | $200,000 (previously, $195,000) |
| **Section 401(a)(17) limit:** | $250,000 (previously, $245,000) |

## Most Recent Plan Amendments

| Plan Amendment | Effective Date | Reflected in 2012 Actuarial Valuation |
|---|---|---|
| Amendment No. 1: The plan is closed to new hires | June 1, 2007 | Yes |
| Amendment No. 2 Redefine compensation to comply with IRC 415 | January 1, 2008 | Yes |
| Amendment No. 3: Rehire eligibility | January 1, 2006 | Yes |
| Amendment No. 4: The plan was amended to use a 4% COLA for the actuarial equivalence calculation on optional forms of benefits. | January 1, 2010 | Yes |
| Amendment No. 5: For purpose of determining a Participant's benefit, compensation shall not include stock-based compensation | January 1, 2010 | Yes |
| Amendment No. 5: Layoff for vesting purposes only refers to temporary layoff with recall rights | January 1, 2010 | Yes |
| Amendment No. 5: A Participant who is not making contributions because they have reached the compensation limit under Code Section 401(a)(17) will still be treated as a contributing Participant when determining their accrued benefit | January 1, 2007 | Yes |
| Amendment No. 5: Survivors of participants who die while performing military service will receive additional benefits because of death that would have been provided under the Plan had the participants resumed employment and then terminated employment due to death. | January 1, 2007 | Yes |

*The plan document was restated effective January 1, 2012. Unless otherwise noted, the restatement had no material impact on the valuation.*

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Line 24 – Change in Actuarial Assumptions**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

## Change in Actuarial Assumptions

| **Assumption changes since prior valuation:** | Assumption Type | Current Assumption | Prior Assumption |
|---|---|---|---|
| | Taxable Wage Base Increase | 3.50% | 4.00% |
| | Consumer Price Index | 2.50% | 3.00% |
| | Return on Employee Contributions | 3.00% | 7.00% |
| | Salary Increase | 4.00% | 5.50% |
| | Administrative Expense | $200,000 | $185,000 |
| | Turnover | None | Age/Sex-based schedule |
| | Retirement | Age-based schedule for contributory and non-contributory participants with new rates | Age-based schedule for contributory eligible for unreduced early retirement, all other contributory, and non-contributory participants |
| | Forms of Payment | Contributory<br>100% elect 5 year certain-only<br>Non-Contributory<br>100% elect 10 year certain-only | Contributory<br>75% assumed to elect 5 year certain-only<br>25% assumed to elect a single life annuity.<br>Non-Contributory<br>33% assumed to elect 10 year certain-only<br>67% assumed to elect a single life annuity. |
| | Actuarial Equivalence for certain-only form of payment | Based on the PPA Lump Sum mandated mortality table for the valuation year and the same interest rates as used for funding. | Based on the current lump sum statutory mortality table and an interest rate of 6.00% |
| | The above changes were based on Sibson Consulting's November 2011 analysis to better reflect anticipated plan experience. The assumption changes did not result in a decrease in the ERISA funding shortfall for the current plan that would require IRS approval. | | |

**Attachment to 2012 Schedule SB of Form 5500**
**Schedule SB, Line 22 – Description of Weighted Average Retirement Age**
**L-3 Communications Electron Technologies Retirement Plan for Bargained Employees**
**EIN 91-2046609 PN 025**

| | Non-Contributory | | | | Contributory | | |
|---|---|---|---|---|---|---|---|
| **Age** | **Rate** | **Probability of Retiring** | **Age x Probability** | **Age** | **Rate** | **Probability of Retiring** | **Age x Probability** |
| 55 | 10.00% | 10.00% | 5.50 | 55 | 20.00% | 20.00% | 11.00 |
| 56 | 5.00% | 4.50% | 2.52 | 56 | 10.00% | 8.00% | 4.48 |
| 57 | 5.00% | 4.28% | 2.44 | 57 | 10.00% | 7.20% | 4.10 |
| 58 | 5.00% | 4.06% | 2.36 | 58 | 10.00% | 6.48% | 3.76 |
| 59 | 5.00% | 3.86% | 2.28 | 59 | 10.00% | 5.83% | 3.44 |
| 60 | 5.00% | 3.67% | 2.20 | 60 | 15.00% | 7.87% | 4.72 |
| 61 | 5.00% | 3.48% | 2.12 | 61 | 15.00% | 6.69% | 4.08 |
| 62 | 25.00% | 16.54% | 10.25 | 62 | 15.00% | 5.69% | 3.53 |
| 63 | 15.00% | 7.44% | 4.69 | 63 | 15.00% | 4.84% | 3.05 |
| 64 | 15.00% | 6.33% | 4.05 | 64 | 15.00% | 4.11% | 2.63 |
| 65 | 35.00% | 12.55% | 8.16 | 65 | 35.00% | 8.15% | 5.30 |
| 66 | 20.00% | 4.66% | 3.08 | 66 | 20.00% | 3.03% | 2.00 |
| 67 | 20.00% | 3.73% | 2.50 | 67 | 20.00% | 2.42% | 1.62 |
| 68 | 20.00% | 2.98% | 2.03 | 68 | 20.00% | 1.94% | 1.32 |
| 69 | 20.00% | 2.39% | 1.65 | 69 | 20.00% | 1.55% | 1.07 |
| 70 | 100.00% | 9.54% | 6.68 | 70 | 100.00% | 6.20% | 4.34 |
| | | | **62.51** | | | | **60.44** |

**Headcount**

| | |
|---|---|
| Non-Contributory | 72 |
| Contributory | 193 |
| | 265 |

**Weighted Average**

(62.51*72+60.44*193)/265 61.00

# SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

**2012**

**This Form is Open to Public Inspection**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

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

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

**A** Name of plan
The L-3 Communications Electron Technologies Retirement Plan for Bargained Employees

**B** Three-digit plan number (PN) ▶ 025

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
L-3 Electron Technologies, Inc.

**D** Employer Identification Number (EIN)
91-2046609

**E** Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

**F** Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

## Part I Basic Information

| | | | | |
|---|---|---|---|---|
| 1 | Enter the valuation date: Month 01 Day 01 Year 2012 | | | |
| 2 | Assets: | | | |
| | a Market value | 2a | | 52660972 |
| | b Actuarial value | 2b | | 52810568 |
| 3 | Funding target/participant count breakdown: | | (1) Number of participants | (2) Funding Target |
| | a For retired participants and beneficiaries receiving payment | 3a | 67 | 12504047 |
| | b For terminated vested participants | 3b | 27 | 900444 |
| | c For active participants: | | | |
| | (1) Non-vested benefits | 3c(1) | | 4212740 |
| | (2) Vested benefits | 3c(2) | | 32532638 |
| | (3) Total active | 3c(3) | 265 | 36745378 |
| | d Total | 3d | 359 | 50149869 |
| 4 | If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ] | | | |
| | a Funding target disregarding prescribed at-risk assumptions | 4a | | |
| | b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor | 4b | | |
| 5 | Effective interest rate | 5 | | 7.09% |
| 6 | Target normal cost | 6 | | 2053467 |

**Statement by Enrolled Actuary**

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

**SIGN HERE**

JIMMY MAK — Signature of actuary

7/10/2013 — Date

JIMMY MAK, ASA, MAAA — Type or print name of actuary

11-05788 — Most recent enrollment number

SIBSON CONSULTING — Firm name

212-251-5000 — Telephone number (including area code)

333 W 34TH STREET
NEW YORK NY 10001-2402 — Address of the firm

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

## Part II Beginning of Year Carryover Prefunding Balances

| | | (a) Carryover balance | (b) Prefunding balance |
|---|---|---|---|
| 7 | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) | 2406886 | 0 |
| 8 | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) | 2406886 | 0 |
| 9 | Amount remaining (line 7 minus line 8) | 0 | 0 |
| 10 | Interest on line 9 using prior year's actual return of 3.53% | 0 | 0 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| | a Present value of excess contributions (line 38a from prior year) | | 7664 |
| | b Interest on (a) using prior year's effective interest rate of 6.33% except as otherwise provided (see instructions) | | 271 |
| | c Total available at beginning of current plan year to add to prefunding balance | | 7935 |
| | d Portion of (c) to be added to prefunding balance | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections | 0 | 0 |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 0 | 0 |

## Part III Funding Percentages

| | | | |
|---|---|---|---|
| 14 | Funding target attainment percentage | 14 | 105.30% |
| 15 | Adjusted funding target attainment percentage | 15 | 105.30% |
| 16 | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement | 16 | 84.14% |
| 17 | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage | 17 | % |

## Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees |
|---|---|---|---|---|---|
| 04/12/2012 | 1163000 | | 06/28/2012 | | 8909 |
| 07/05/2012 | 1163000 | | 07/12/2012 | | 8886 |
| 01/03/2012 | | 10926 | 07/25/2012 | | 8577 |
| 01/13/2012 | | 11824 | 08/13/2012 | | 8771 |
| 02/08/2012 | | 9176 | 08/23/2012 | | 8837 |
| 03/01/2012 | | 9332 | 09/10/2012 | | 8488 |
| 03/07/2012 | | 9309 | 10/03/2012 | | 8257 |
| 03/21/2012 | | 9257 | 10/17/2012 | | 7979 |
| 04/04/2012 | | 9152 | 11/06/2012 | | 8118 |
| 04/18/2012 | | 9150 | 11/21/2012 | | 7790 |
| 05/03/2012 | | 9127 | 12/12/2012 | | 7429 |
| 05/16/2012 | | 9039 | 12/26/2012 | | 7409 |
| 06/01/2012 | | 9443 | | | |
| 06/20/2012 | | 8913 | | | |
| | | | Totals ► 18(b) | 2326000 | 18(c) 214098 |

| | | | |
|---|---|---|---|
| 19 | Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: | | |
| | a Contributions allocated toward unpaid minimum required contributions from prior years | 19a | 0 |
| | b Contributions made to avoid restrictions adjusted to valuation date | 19b | 0 |
| | c Contributions allocated toward minimum required contribution for current year adjusted to valuation date | 19c | 2264220 |

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

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

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

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---|---|---|---|
| 0 | 0 | 0 | 0 |

## Part V Assumptions Used to Determine Funding Target and Target Normal Cost

**21** Discount rate:

**a** Segment rates:

| 1st segment: | 2nd segment: | 3rd segment: | ☐ N/A, full yield curve used |
|---|---|---|---|
| 5.54% | 6.85% | 7.52% | |

| | | |
|---|---|---|
| **b** Applicable month (enter code) | 21b | 4 |
| **22** Weighted average retirement age | 22 | 61 |

**23** Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute

## Part VI Miscellaneous Items

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

## Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

## Part VIII Minimum Required Contribution For Current Year

| | | |
|---|---|---|
| **31** Target normal cost and excess assets (see instructions): | | |
| **a** Target normal cost (line 6) | 31a | 2053467 |
| **b** Excess assets, if applicable, but not greater than line 31a | 31b | 2053467 |

| **32** Amortization installments: | Outstanding Balance | Installment |
|---|---|---|
| **a** Net shortfall amortization installment | 0 | 0 |
| **b** Waiver amortization installment | 0 | 0 |

| | | |
|---|---|---|
| **33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____ ) and the waived amount | 33 | |
| **34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) | 34 | 0 |

| | Carryover balance | Prefunding balance | Total balance |
|---|---|---|---|
| **35** Balances elected for use to offset funding requirement | 0 | 0 | 0 |

| | | |
|---|---|---|
| **36** Additional cash requirement (line 34 minus line 35) | 36 | 0 |
| **37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | 37 | 2264220 |
| **38** Present value of excess contributions for current year (see instructions) | | |
| **a** Total (excess, if any, of line 37 over line 36) | 38a | 2264220 |
| **b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances | 38b | 0 |
| **39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) | 39 | 0 |
| **40** Unpaid minimum required contributions for all years | 40 | 0 |

## Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years

**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

| | | |
|---|---|---|
| **42** Amount of acceleration adjustment | 42 | |
| **43** Excess installment acceleration amount to be carried over to future plan years | 43 | |