

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                         |
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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                           |
| For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u> |                                                                                                                                                                                                                                           |
| A This return/report is for:                                                                             | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan; or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) ____                         |
| B This return/report is:                                                                                 | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months). |
| C If the plan is a collectively-bargained plan, check here. . . . .                                      | <input type="checkbox"/>                                                                                                                                                                                                                  |
| D Check box if filing under:                                                                             | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                 |

|                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                     | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                         |                                                                     |                                                             |                                                             |  |
| <b>1a</b> Name of plan<br><u>ANSALDO STS USA RETIREMENT SAVINGS PLAN</u>                                                                                                                                           | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan<br/><u>08/01/1988</u></td> </tr> </table>                        | <b>1b</b> Three-digit plan number (PN) ▶                            | <u>001</u>                                                  | <b>1c</b> Effective date of plan<br><u>08/01/1988</u>       |  |
| <b>1b</b> Three-digit plan number (PN) ▶                                                                                                                                                                           | <u>001</u>                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                             |                                                             |  |
| <b>1c</b> Effective date of plan<br><u>08/01/1988</u>                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)<br><br><u>ANSALDO STS USA</u><br><br><u>1000 TECHNOLOGY DRIVE</u><br><u>PITTSBURGH, PA 15219</u> | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>2b</b> Employer Identification Number (EIN)<br/><u>25-1579001</u></td> </tr> <tr> <td><b>2c</b> Sponsor's telephone number<br/><u>412-688-2427</u></td> </tr> <tr> <td><b>2d</b> Business code (see instructions)<br/><u>335900</u></td> </tr> </table> | <b>2b</b> Employer Identification Number (EIN)<br><u>25-1579001</u> | <b>2c</b> Sponsor's telephone number<br><u>412-688-2427</u> | <b>2d</b> Business code (see instructions)<br><u>335900</u> |  |
| <b>2b</b> Employer Identification Number (EIN)<br><u>25-1579001</u>                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2c</b> Sponsor's telephone number<br><u>412-688-2427</u>                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |
| <b>2d</b> Business code (see instructions)<br><u>335900</u>                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                             |                                                             |  |

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

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

|                                                                                                            |                                                                                         |                    |                                                                                 |
|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|--------------------|---------------------------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature.<br>Signature of plan administrator    | 10/14/2013<br>Date | SANDRA M TURLEY<br>Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature.<br>Signature of employer/plan sponsor | 10/14/2013<br>Date | SANDRA M TURLEY<br>Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>                                                                                           | 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)                                          |

|                                                                                                                                                                                                                                                                                                                                                                                                                    |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address                                                                                                                                                                                                                                                |           | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                    |           | <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                                                                                                                                                                                                                                                                                                                                                                    |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>4</b> 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:<br><b>a</b> Sponsor's name                                                                                                                                                                                                  |           | <b>4b</b> EIN<br><br><b>4c</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                            |           | <b>5</b> 1201                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                                                             |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>a</b> Active participants.....                                                                                                                                                                                                                                                                                                                                                                                  | <b>6a</b> | 987                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                                                                                                                                                                                                                 | <b>6b</b> | 3                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                                                                                                                                                                                                                  | <b>6c</b> | 384                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                           | <b>6d</b> | 1374                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                                                                                                                                                                                                                                                                                          | <b>6e</b> | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                            | <b>6f</b> | 1374                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....                                                                                                                                                                                                                                                                     | <b>6g</b> | 1171                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....                                                                                                                                                                                                                                                                         | <b>6h</b> | 57                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                                                                                                                                                                                                                               |           | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2E 2F 2G 2J 3F 2R 2T 3D                                                                                                                                                                                                                            |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                        |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                           |           | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                         |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                  |           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |           | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input checked="" type="checkbox"/> <u>1</u> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           |                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>SCHEDULE A</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br><hr/> Department of Labor<br>Employee Benefits Security Administration<br><hr/> Pension Benefit Guaranty Corporation | <b>Insurance Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b><br><br>► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2). | OMB No. 1210-0110                             |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           | <b>2012</b>                                   |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                           | <b>This Form is Open to Public Inspection</b> |

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

|                                                                                         |                                                                    |            |
|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| <b>A</b> Name of plan<br><b>ANSALDO STS USA RETIREMENT SAVINGS PLAN</b>                 | <b>B</b> Three-digit plan number (PN) <b>►</b>                     | <b>001</b> |
|                                                                                         |                                                                    |            |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>ANSALDO STS USA</b> | <b>D</b> Employer Identification Number (EIN)<br><b>25-1579001</b> |            |

|               |                                                                                                                                                                                                                                                     |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Information Concerning Insurance Contract Coverage, Fees, and Commissions</b> Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A. |
|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**1** Coverage Information:

**(a)** Name of insurance carrier

**PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY**

| (b) EIN    | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year |            |
|------------|---------------|---------------------------------------|-----------------------------------------------------------------------------|-------------------------|------------|
|            |               |                                       |                                                                             | (f) From                | (g) To     |
| 06-1050034 | 93629         | 041208                                | 1374                                                                        | 01/01/2012              | 12/31/2012 |

**2** Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

|                                             |                                      |
|---------------------------------------------|--------------------------------------|
| <b>(a)</b> Total amount of commissions paid | <b>(b)</b> Total amount of fees paid |
| 0                                           | 0                                    |

**3** Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b> Organization code |
|------------------------------------------------------|---------------------------------|--------------------|------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                              |
|                                                      |                                 |                    |                              |

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

|                                                                                                        |          |          |
|--------------------------------------------------------------------------------------------------------|----------|----------|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end ..... | <b>4</b> | 25313676 |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end .....   | <b>5</b> | 2538718  |

**6 Contracts With Allocated Funds:****a** State the basis of premium rates ▶

|                                                                                                                                                                                                                |           |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--|
| <b>b</b> Premiums paid to carrier .....                                                                                                                                                                        | <b>6b</b> |  |
| <b>c</b> Premiums due but unpaid at the end of the year .....                                                                                                                                                  | <b>6c</b> |  |
| <b>d</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. ....<br>Specify nature of costs ▶ | <b>6d</b> |  |

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity  
(3) ☐ other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**

**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee  
(3) ☐ guaranteed investment (4) ☒ other ▶ **GUARANTEED GENERAL ACCOUNT CONTRACT**

|                                                        |           |          |
|--------------------------------------------------------|-----------|----------|
| <b>b</b> Balance at the end of the previous year ..... | <b>7b</b> | 24952559 |
|--------------------------------------------------------|-----------|----------|

|                                                                                                              |              |         |  |
|--------------------------------------------------------------------------------------------------------------|--------------|---------|--|
| <b>c</b> Additions: (1) Contributions deposited during the year .....                                        | <b>7c(1)</b> | 1401035 |  |
| (2) Dividends and credits .....                                                                              | <b>7c(2)</b> |         |  |
| (3) Interest credited during the year .....                                                                  | <b>7c(3)</b> | 814369  |  |
| (4) Transferred from separate account .....                                                                  | <b>7c(4)</b> |         |  |
| (5) Other (specify below).....<br>▶ <b>LOAN REPAYMENTS TRANSFERS IN, MISCELLANEOUS IN FORFEITURE CREDITS</b> | <b>7c(5)</b> | 4301983 |  |

|                           |              |         |
|---------------------------|--------------|---------|
| (6) Total additions ..... | <b>7c(6)</b> | 6517387 |
|---------------------------|--------------|---------|

|                                                                                       |           |          |
|---------------------------------------------------------------------------------------|-----------|----------|
| <b>d</b> Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) ..... | <b>7d</b> | 31469946 |
|---------------------------------------------------------------------------------------|-----------|----------|

**e Deductions:**

|                                                                                                                |              |         |
|----------------------------------------------------------------------------------------------------------------|--------------|---------|
| (1) Disbursed from fund to pay benefits or purchase annuities during year                                      | <b>7e(1)</b> | 3875782 |
| (2) Administration charge made by carrier .....                                                                | <b>7e(2)</b> | 1246    |
| (3) Transferred to separate account .....                                                                      | <b>7e(3)</b> | 16      |
| (4) Other (specify below).....<br>▶ <b>LOAN INITIATIONS TRANSFERS OUT, MISCELLANEOUS OUT FORFEITURE DEBITS</b> | <b>7e(4)</b> | 2279226 |

|                            |              |         |
|----------------------------|--------------|---------|
| (5) Total deductions ..... | <b>7e(5)</b> | 6156270 |
|----------------------------|--------------|---------|

|                                                                                                        |           |          |
|--------------------------------------------------------------------------------------------------------|-----------|----------|
| <b>f</b> Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> )..... | <b>7f</b> | 25313676 |
|--------------------------------------------------------------------------------------------------------|-----------|----------|

**Part III Welfare Benefit Contract Information**

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)     
 **b** ☐ Dental     
 **c** ☐ Vision     
 **d** ☐ Life insurance  
**e** ☐ Temporary disability (accident and sickness)     
 **f** ☐ Long-term disability     
 **g** ☐ Supplemental unemployment     
 **h** ☐ Prescription drug  
**i** ☐ Stop loss (large deductible)     
 **j** ☐ HMO contract     
 **k** ☐ PPO contract     
 **l** ☐ Indemnity contract  
**m** ☐ Other (specify) ▶

**9** Experience-rated contracts:

|                                                                                                                                                   |                 |                 |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|--|
| <b>a</b> Premiums: (1) Amount received.....                                                                                                       | <b>9a(1)</b>    |                 |  |
| (2) Increase (decrease) in amount due but unpaid.....                                                                                             | <b>9a(2)</b>    |                 |  |
| (3) Increase (decrease) in unearned premium reserve.....                                                                                          | <b>9a(3)</b>    |                 |  |
| (4) Earned ((1) + (2) - (3)).....                                                                                                                 |                 | <b>9a(4)</b>    |  |
| <b>b</b> Benefit charges (1) Claims paid.....                                                                                                     | <b>9b(1)</b>    |                 |  |
| (2) Increase (decrease) in claim reserves.....                                                                                                    | <b>9b(2)</b>    |                 |  |
| (3) Incurred claims (add (1) and (2)).....                                                                                                        |                 | <b>9b(3)</b>    |  |
| (4) Claims charged.....                                                                                                                           |                 | <b>9b(4)</b>    |  |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --                                                                     |                 |                 |  |
| (A) Commissions.....                                                                                                                              | <b>9c(1)(A)</b> |                 |  |
| (B) Administrative service or other fees.....                                                                                                     | <b>9c(1)(B)</b> |                 |  |
| (C) Other specific acquisition costs.....                                                                                                         | <b>9c(1)(C)</b> |                 |  |
| (D) Other expenses.....                                                                                                                           | <b>9c(1)(D)</b> |                 |  |
| (E) Taxes.....                                                                                                                                    | <b>9c(1)(E)</b> |                 |  |
| (F) Charges for risks or other contingencies.....                                                                                                 | <b>9c(1)(F)</b> |                 |  |
| (G) Other retention charges.....                                                                                                                  | <b>9c(1)(G)</b> |                 |  |
| (H) Total retention.....                                                                                                                          |                 | <b>9c(1)(H)</b> |  |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)..... |                 | <b>9c(2)</b>    |  |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....                                |                 | <b>9d(1)</b>    |  |
| (2) Claim reserves.....                                                                                                                           |                 | <b>9d(2)</b>    |  |
| (3) Other reserves.....                                                                                                                           |                 | <b>9d(3)</b>    |  |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).).....                                           |                 | <b>9e</b>       |  |

**10** Nonexperience-rated contracts:

|                                                                                                                                                                                                                                |            |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Total premiums or subscription charges paid to carrier.....                                                                                                                                                           | <b>10a</b> |  |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount..... | <b>10b</b> |  |

Specify nature of costs ▶

**Part IV Provision of Information**

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ..... ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             |                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> | OMB No. 1210-0110                       |
|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             | 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<br>ANSALDO STS USA RETIREMENT SAVINGS PLAN                                  | B Three-digit plan number (PN) ▶                     | 001 |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>ANSALDO STS USA                  | D Employer Identification Number (EIN)<br>25-1579001 |     |

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

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| PRUDENTIAL RETIREMENT INSURANCE AND                                                                        |

06-1050034

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

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

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

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

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

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

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

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

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

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

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

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

JANNEY MONTGOMERY SCOTT, LLC

23-0731260

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 27                     | NONE                                                                                              | 123380                                                                 | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 13 15 37 50 64         | NONE                                                                                              | 5267                                                                   | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

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

PRUDENTIAL INVESTMENT MANAGEMENT SE

13-4122960

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 63 71                  | NONE                                                                                              | 3789                                                                   | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 11                                                                                                                                                                              | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

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

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

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

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

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

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

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

**Part I Service Provider Information (continued)**

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

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| PRUDENTIAL RETIREMENT INSURANCE AND                     | 15 64                                   | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PRUDENTIAL RETIREMENT INSURANCE AND<br><br>06-1050034               | 5,000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2012 TO 12/31/2012 GUARANTEED INCOME FUND                                                       |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                         |                                         |                                           |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                     |                                                                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                         |                                         |                                           |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                     |                                                                                                                                                                    |

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

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

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

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                               |                                                                                                                                                                                                                              |                                                                                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE D</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small> | <b>DFE/Participating Plan Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><hr/> <b>2012</b><br><br><hr/> <b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|

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

|                                                                                                |                                                                        |            |
|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------|
| <b>A</b> Name of plan<br><u>ANSALDO STS USA RETIREMENT SAVINGS PLAN</u>                        | <b>B</b> Three-digit plan number (PN) <b>►</b>                         | <u>001</u> |
|                                                                                                |                                                                        |            |
| <b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500<br><u>ANSALDO STS USA</u> | <b>D</b> Employer Identification Number (EIN)<br><br><u>25-1579001</u> |            |

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

|                                                                                    |                               |                                                                                                                    |
|------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------------------------------------------------------------------------------|
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>IFX LT INC AND EQUITY FUND</u>   |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u> |                               |                                                                                                                    |
| <b>c</b> EIN-PN <u>06-1050034-515</u>                                              | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>584193</u>  |
|                                                                                    |                               |                                                                                                                    |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>IFX LT BALANCED FUND</u>         |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u> |                               |                                                                                                                    |
| <b>c</b> EIN-PN <u>06-1050034-513</u>                                              | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1912080</u> |
|                                                                                    |                               |                                                                                                                    |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE: <u>IFX LT CONSERVATIVE FUND</u>     |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a): <u>PRUDENTIAL RETIREMENT INS</u> |                               |                                                                                                                    |
| <b>c</b> EIN-PN <u>06-1050034-514</u>                                              | <b>d</b> Entity code <u>P</u> | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>42445</u>   |
|                                                                                    |                               |                                                                                                                    |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                     |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a):                                  |                               |                                                                                                                    |
| <b>c</b> EIN-PN                                                                    | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                |
|                                                                                    |                               |                                                                                                                    |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                     |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a):                                  |                               |                                                                                                                    |
| <b>c</b> EIN-PN                                                                    | <b>d</b> Entity code          | <b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)                |
|                                                                                    |                               |                                                                                                                    |
| <b>a</b> Name of MTIA, CCT, PSA, or 103-12 IE:                                     |                               |                                                                                                                    |
| <b>b</b> Name of sponsor of entity listed in (a):                                  |                               |                                                                                                                    |
| <b>c</b> EIN-PN                                                                    | <b>d</b> Entity code          | <b>e</b> 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

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2012 or fiscal plan year beginning <b>01/01/2012</b> and ending <b>12/31/2012</b>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                                          |
| <b>A</b> Name of plan<br><b>ANSALDO STS USA RETIREMENT SAVINGS PLAN</b>                                                                                                                                                                                                  | <b>B</b> Three-digit plan number (PN) <b>►</b>                                                                                                                                                                                                                               | <b>001</b>                                                                                               |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><b>ANSALDO STS USA</b>                                                                                                                                                                                  | <b>D</b> Employer Identification Number (EIN)<br><br><b>25-1579001</b>                                                                                                                                                                                                       |                                                                                                          |

| Part I Asset and Liability Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                       |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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 |
| <b>a</b> Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1a</b>       |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                       |                 |
| <b>(1)</b> Employer contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1b(1)</b>    |                       |                 |
| <b>(2)</b> Participant contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1b(2)</b>    |                       |                 |
| <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1b(3)</b>    |                       |                 |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(1)</b>    |                       |                 |
| <b>(2)</b> U.S. Government securities.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(8)</b>    | 2459143               | 1893074         |
| <b>(9)</b> Value of interest in common/collective trusts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1c(9)</b>    |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1c(10)</b>   | 1829611               | 2538718         |
| <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(11)</b>   |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(13)</b>   | 71539930              | 80595280        |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>   | 24952559              | 25313676        |
| <b>(15)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(15)</b>   | 2347285               | 2260152         |

| <b>1d</b> Employer-related investments:                              |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 103128528             | 112600900       |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |           |           |
|-----------------------------------------------------------|-----------|-----------|-----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 103128528 | 112600900 |
|-----------------------------------------------------------|-----------|-----------|-----------|

**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 |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 2624976    |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> | 4691561    |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> | 986307     |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 8302844   |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> |            |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> |            |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> |            |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> |            |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> | 96541      |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> | 814369     |           |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                              | <b>2b(1)(G)</b> |            | 910910    |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |            |           |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> |            |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> | 1030851    |           |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                  | <b>2b(2)(D)</b> |            | 1030851   |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            |           |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |            |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> |            |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            | 0         |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |            |           |
| <b>(B)</b> Other .....                                                                                     | <b>2b(5)(B)</b> |            |           |
| <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....         | <b>2b(5)(C)</b> |            | 0         |

|                                                                                                |        | (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)  |            | 229028    |
| (8) Net investment gain (loss) from master trust investment accounts .....                     | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities .....                           | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            | 9429937   |
| c Other income.....                                                                            | 2c     |            | 248011    |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 20151581  |

**Expenses**

|                                                                                     |       |          |          |
|-------------------------------------------------------------------------------------|-------|----------|----------|
| e Benefit payment and payments to provide benefits:                                 |       |          |          |
| (1) Directly to participants or beneficiaries, including direct rollovers .....     | 2e(1) | 10551695 |          |
| (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) |          | 10551695 |
| f Corrective distributions (see instructions) .....                                 | 2f    |          |          |
| g Certain deemed distributions of participant loans (see instructions).....         | 2g    |          | -2156    |
| h Interest expense.....                                                             | 2h    |          |          |
| i Administrative expenses: (1) Professional fees .....                              | 2i(1) |          |          |
| (2) Contract administrator fees .....                                               | 2i(2) |          |          |
| (3) Investment advisory and management fees .....                                   | 2i(3) |          |          |
| (4) Other .....                                                                     | 2i(4) | 129670   |          |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                 | 2i(5) |          | 129670   |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |          | 10679209 |

**Net Income and Reconciliation**

|                                                         |       |  |         |
|---------------------------------------------------------|-------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d..... | 2k    |  | 9472372 |
| l Transfers of assets:                                  |       |  |         |
| (1) To this plan.....                                   | 2l(1) |  |         |
| (2) From this plan .....                                | 2l(2) |  |         |

**Part III Accountant's Opinion**

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

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

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

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

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

(1) Name: **URISH POPECK & CO., LLC**

(2) EIN: **25-1306171**

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

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

**Part IV Compliance Questions**

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

During the plan year:

**a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

**b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |
| 4b |     | X  |        |

|                                                                                                                                                                                                                              | Yes | No | Amount  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|---------|
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                         |     | X  |         |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....                               |     | X  |         |
| <b>e</b> Was this plan covered by a fidelity bond?.....                                                                                                                                                                      | X   |    | 1000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                      |     | X  |         |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                   |     | X  |         |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                         |     | X  |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....                                                                | X   |    |         |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)..... |     | X  |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....                                                           |     | X  |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                           |     | X  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....                                                                                                  |     | X  |         |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                     |     |    |         |

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

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

**5b(1)** Name of plan(s)

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

## Part V Trust Information (optional)

**6a** Name of trust

**6b** Trust's EIN

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2012</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

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

|                                                                                         |                                                                    |
|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>ANSALDO STS USA RETIREMENT SAVINGS PLAN</u>                 | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>ANSALDO STS USA</u> | <b>D</b> Employer Identification Number (EIN)<br><u>25-1579001</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

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

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> 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):<br><br>EIN(s): <u>22-1211670</u> |          |          |
| <b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>                                                                                                                                                                                            |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> |          |

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

|                                                                                                                                                                                                                                                                                                                                                                           |                              |                             |                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                                                                                                                                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                                                                                                                                               |                              |                             |                              |
| <b>5</b> 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. <b>Date:</b> Month _____ Day _____ Year _____<br><b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b> |                              |                             |                              |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....                                                                                                                                                                                                                            | <b>6a</b>                    |                             |                              |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                                | <b>6b</b>                    |                             |                              |
| <b>c</b> 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).....                                                                                                                                                                                                                           | <b>6c</b>                    |                             |                              |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                                                                                                                                      |                              |                             |                              |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>8</b> 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?.....                                                                                                | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <b>9</b> 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..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (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. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                             |                              |                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</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.)..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                              | <input type="checkbox"/> Yes | <input type="checkbox"/> 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:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 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:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

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

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</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 ..... | <b>16b</b> |  |

- 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): \_\_\_\_\_

# **Ansaldo STS USA Retirement/Savings Plan**

**Financial Statements**  
December 31, 2012 and 2011  
**Supplemental Schedule**  
December 31, 2012

# **Ansaldo STS USA Retirement/Savings Plan**

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Three Gateway Center  
Pittsburgh, PA 15222-1015  
(412) 391-1994  
FAX (412) 391-0724

## **Independent Auditors' Report**

To the Participants and Plan Administrator of  
Ansaldo STS USA Retirement/Savings Plan  
Pittsburgh, Pennsylvania

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Ansaldo STS USA Retirement/Savings Plan (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 related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company, the custodian of the Plan, and Prudential Bank & Trust, F.S.B., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian and trustee hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained a certification from the custodian and trustee as of December 31, 2012 and 2011, and for the years then ended, that the information provided to the plan administrator by the custodian and trustee is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

***Other Matter***

The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2012 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian and trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



October 9, 2013  
Pittsburgh, Pennsylvania

# Ansaldo STS USA Retirement/Savings Plan

## Statements of Net Assets Available for Benefits

| <i>December 31,</i>                      | <b>2012</b>           | <b>2011</b>           |
|------------------------------------------|-----------------------|-----------------------|
| <b>Assets</b>                            |                       |                       |
| <b>Investments, at fair value</b>        |                       |                       |
| Mutual funds                             | \$ 80,595,280         | \$ 71,539,930         |
| Pooled separate accounts                 | 2,538,718             | 1,829,611             |
| Guaranteed income fund                   | 25,313,676            | 24,952,559            |
| Self-directed brokerage accounts         | 2,260,152             | 2,347,285             |
| <b>Total investments</b>                 | <b>110,707,826</b>    | <b>100,669,385</b>    |
| <b>Receivables</b>                       |                       |                       |
| Employer                                 | 90,958                | 84,678                |
| Participants                             | 108,965               | 101,306               |
| Participant notes receivable             | 1,893,074             | 2,459,143             |
| <b>Total receivables</b>                 | <b>2,092,997</b>      | <b>2,645,127</b>      |
| <b>Net assets available for benefits</b> | <b>\$ 112,800,823</b> | <b>\$ 103,314,512</b> |

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

# Ansaldo STS USA Retirement/Savings Plan

## Statements of Changes in Net Assets Available for Benefits

| <i>Years ended December 31,</i>                              | <b>2012</b>           | <b>2011</b>           |
|--------------------------------------------------------------|-----------------------|-----------------------|
| <b>Additions:</b>                                            |                       |                       |
| Investment income:                                           |                       |                       |
| Net appreciation (depreciation) in fair value of investments | \$ 9,783,596          | \$ (4,035,829)        |
| Dividends and interest                                       | 1,845,220             | 1,728,645             |
| <b>Total investment income (loss)</b>                        | <b>11,628,816</b>     | <b>(2,307,184)</b>    |
| <b>Interest income on participant notes</b>                  | <b>96,541</b>         | <b>118,822</b>        |
| Contributions:                                               |                       |                       |
| Employer                                                     | 2,631,256             | 2,600,588             |
| Participants                                                 | 5,685,527             | 5,066,416             |
| <b>Total contributions</b>                                   | <b>8,316,783</b>      | <b>7,667,004</b>      |
| <b>Total additions</b>                                       | <b>20,042,140</b>     | <b>5,478,642</b>      |
| <b>Deductions:</b>                                           |                       |                       |
| Benefits paid to participants                                | 10,549,539            | 8,949,495             |
| Administrative expenses                                      | 6,290                 | 9,897                 |
| <b>Total deductions</b>                                      | <b>10,555,829</b>     | <b>8,959,392</b>      |
| <b>Net increase (decrease)</b>                               | <b>9,486,311</b>      | <b>(3,480,750)</b>    |
| <b>Net assets available for benefits, beginning of year</b>  | <b>103,314,512</b>    | <b>106,795,262</b>    |
| <b>Net assets available for benefits, end of year</b>        | <b>\$ 112,800,823</b> | <b>\$ 103,314,512</b> |

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

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description**

The following description of the Ansaldo STS USA Retirement/Savings Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement or Summary Plan Description for a more complete description of the Plan's provisions.

#### ***General***

The Plan is a defined contribution retirement plan covering substantially all employees of Ansaldo STS USA, Inc. (the Company) who become eligible to participate upon their date of hire. The Company is a wholly-owned subsidiary of Ansaldo STS S.p.A. (ASTS), an Italian corporation. As of December 31, 2012 and 2011, ASTS is a forty percent owned subsidiary of Finmeccanica S.p.A. a major Italian industrial company. The Plan is sponsored and administered by the Company and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Prudential Bank & Trust, FSB (Prudential) is the trustee of the Plan and holds the Plan's mutual fund investments, self-directed brokerage accounts and participant notes receivable. The Plan was amended and restated to adopt the prototype defined contribution plan sponsored by Prudential Insurance Company of America (PICA), along with appointing Prudential Retirement Insurance and Annuity Company (PRIAC) as the new third-party administrator and custodian for specific investments of the Plan.

The custodian holds the Plan's pooled separate accounts and guaranteed income fund and is responsible for executing investment transactions and making distributions to participants according to the Plan's provisions. PRIAC also provides recordkeeping and reporting services for the Plan. Certain expenses incurred by the Plan, including fees and expenses of the recordkeeper for participant note administration and other administrative costs, are paid directly by the Plan.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description (cont.)**

#### ***Contributions***

Participants may elect to contribute to the Plan based on a percentage of their annual compensation. A participant may defer from 1% and not more than 75% of eligible compensation. The elective deferrals are subject to the maximum dollar amount under the Internal Revenue Code (IRC). In addition, a participant may also “opt-in” to elect to have an automatic 1% annual deferral escalation feature apply that is limited to a maximum of 12% of eligible compensation.

Participants may direct the investment of their contributions into various investment options offered by the Plan. The Plan also permits catch-up contributions, Roth elective deferrals and rollover contributions from other qualified plans.

The Company makes three types of contributions to the Plan: 1) basic contributions of 2% of the participant’s annual compensation; 2) matching contributions equal to 100% of the first \$250 contributed by the participant and 50% of the remaining participant contributions, up to 6% of the participant’s annual compensation; and 3) contributions at the discretion of the Company. There were no discretionary contributions in 2012 and 2011.

#### ***Investment Options***

Contributions to the Plan are invested, at the direction of the participants, in a variety of investment options (Note 3). Participants determine the amount to be invested and may make changes in their investment elections at any time.

#### ***Participant Accounts***

The plan administrator maintains separate participant accounts for each participant. Each participant’s account is credited with their voluntary contribution and with an allocation of the Company’s contributions and plan earnings and expenses (Note 7). Allocations of the Company’s contributions are based on employee contributions or compensation, as applicable. Allocations of plan earnings and expenses are based on the investment income (loss) of the elected investment funds. The benefit to which a participant is entitled is the benefit that can be provided from his or her vested account.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 1. Plan Description (cont.)

#### *Vesting*

Participants are immediately vested in their voluntary and rollover contributions and actual earnings thereon. Vesting in the employer contribution portion of their accounts plus earnings thereon is based on years of continuous service. Participants vest 25% per year beginning after 2 years of service and are 100% vested after 5 years of service.

#### *Forfeitures*

The unvested portion of the account balance of a participant who leaves the Company is forfeited. If the participant is re-employed by the Company within a five-year period and repays the full amount of his or her distribution, the amount forfeited is reinstated and the participant continues normal vesting. Forfeited nonvested amounts may be used to reduce employer contributions to the Plan. Forfeitures reduced employer contributions by approximately \$133,000 and \$126,000 in 2012 and 2011, respectively. The balance remaining in the forfeiture account at December 31, 2012 and 2011 was approximately \$199,000 and \$30,000 respectively.

#### *Benefits*

Terminated or retired plan participants with vested account balances of less than \$1,000 automatically receive a lump-sum distribution. Terminated or retired plan participants with vested account balances equal to or greater than the applicable automatic distribution amount may elect to receive either a lump-sum benefit payment equal to the value of their account or annual benefit payment installments. During active employment, participants may withdraw their contributions for financial hardship upon approval by the Retirement Committee. Participants who are at least 59½ years old may also make in-service withdrawals of all contributions in their account.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description (cont.)**

#### ***Participant Notes Receivable***

Participants may borrow from their fund accounts up to a maximum equal to the lesser of \$50,000 or one-half of their vested account balance, reduced by the participants' highest outstanding note balance during the prior 12 months. The minimum amount that participants may borrow is \$1,000. Note repayment terms may not exceed 60 months unless the note is granted for the purpose of acquiring the principal residence of the participant. In that case, repayment is required over a reasonable period of time, not to exceed 180 months. Interest on notes is charged at a commercially acceptable rate as published by the custodian on a monthly basis. Interest rates range from 4.25% to 10.25%. Participant notes are valued at their outstanding balances, which approximate fair value.

#### ***Plan Expenses***

Certain administrative expenses of the Plan are paid directly by the Company. To the extent the Company does not pay Plan expenses, the Plan generally will pay the expenses of Plan administration and will assess the expenses paid against the accounts of all participants in the Plan. The Plan will assess against an individual participant's account the applicable fees which are attributable to a particular participant based on the use of a selected Plan feature.

In addition, the Company entered into an Administrative Services Agreement (the Agreement) with PRIAC. This agreement includes a revenue-sharing arrangement whereby PRIAC shares revenue generated by the Plan in excess of their fee. Deposits relating to the revenue-sharing arrangement are invested in the guaranteed income fund, and are used to pay other Plan expenses with any remaining amounts reallocated to participants.

#### ***Plan Termination***

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination or partial termination, participants become 100% vested in their accounts.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **2. Summary of Significant Accounting Policies**

#### ***Basis of Accounting***

The accompanying financial statements of the Plan are prepared on the accrual basis of accounting generally accepted in the United States of America.

#### ***New Accounting Standard***

In May 2011, the Financial Accounting Standards Board issued ASU 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs (ASU 2011-04). ASU 2011-04 amended Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, to provide a consistent definition of fair value and improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRSs. Some of the amendments clarify the application of existing fair value measurement and disclosure requirements, while other amendments change a particular principle or requirement for measuring fair value or disclosing information about fair value measurements. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Adoption of the standard did not result in a material impact to the Plan financial statements as of or for the year ended December 31, 2012.

#### ***Investment Valuation and Income Recognition***

The investments of the Plan are stated at fair value. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of the investments within the Plan are reflected on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Changes in the fair value of investments between years are included in net appreciation in fair value of investments in the statements of changes in net assets available for benefits.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 2. Summary of Significant Accounting Policies (cont.)

ASC 962, *Plan Accounting Defined Contribution Pension Plans*, requires investment contracts that are held by a defined-contribution plan to be reported at fair value. This applies even when the contracts are not held directly by the Plan but are underlying assets in common collective trust investments held by the Plan. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Plan invests in investment contracts through the Guaranteed Income Fund. The Statement of Net Assets Available for Benefits would normally present the fair value of the investment contract as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. However, the fair value of such investment equals contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

#### ***Payment of Benefits***

Benefits to participants are recorded when paid.

#### ***Use of Estimates***

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

#### ***Risks and Uncertainties***

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

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

**2. Summary of  
Significant  
Accounting Policies  
(cont.)**

***Related Party Transactions***

Plan investments consist of shares of mutual funds and self-directed brokerage accounts, which are held by Prudential, the trustee, and pooled separate accounts and a guaranteed interest account, which are held by PRIAC, the custodian of the Plan.

**3. Investments Certified  
by the Plan's  
Custodian and  
Trustee**

The assets of the Plan are managed in accordance with a custodial agreement with Prudential. The Plan's participants direct all investments, including investments into self-directed brokerage accounts. The self-directed brokerage account invests in a variety of investments including corporate stock-common, mutual funds, interest bearing cash, partnership/joint venture interests, and corporate debt instruments.

There are no non-participant directed investments as of December 31, 2012 and 2011.

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the custodian and trustee have certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate. Investments that represent five percent (5%) or more of the Plan's net assets are separately identified with an asterisk (\*) in the following table:

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

| 3. Investments Certified<br>by the Plan's<br>Custodian and<br>Trustee (cont.) | <i>December 31</i>                      | 2012                  | 2011                  |
|-------------------------------------------------------------------------------|-----------------------------------------|-----------------------|-----------------------|
|                                                                               | <b><i>Mutual Funds</i></b>              |                       |                       |
|                                                                               | T Rowe Price Blue Chip Growth Adv       | \$ 19,616,345*        | \$ 17,610,809*        |
|                                                                               | RidgeWorth Large Cap Value Equity A     | 11,506,854*           | 10,260,661*           |
|                                                                               | Euro Pacific Growth Fund                | 10,152,414*           | 9,072,228*            |
|                                                                               | PIMCO Total Return Bond Admin           | 9,413,907*            | 7,917,788*            |
|                                                                               | Oakmark Equity and Income               | 3,402,696             | 3,936,211             |
|                                                                               | Thornburg International Value R5        | 4,646,656             | 3,814,326             |
|                                                                               | Allianz NFJ Small Cap Value Admin       | 3,522,354             | 3,307,402             |
|                                                                               | Blackrock Small Cap Growth Equity       | 3,554,569             | 3,287,195             |
|                                                                               | Frank US Government Sec A               | 3,938,470             | 3,270,523             |
|                                                                               | Spartan 500 Index Fund                  | 2,958,384             | 2,964,369             |
|                                                                               | Morgan Stanley Inst Mid Cap             | 2,216,810             | 1,916,829             |
|                                                                               | Eaton Vance Small-Mid Cap A             | 1,738,088             | 1,567,699             |
|                                                                               | Columbia Mid Cap Value Z                | 1,652,171             | 1,349,670             |
|                                                                               | JPMorgan US Equity A                    | 1,318,205             | 1,243,998             |
|                                                                               | Ivy Asset Strategy Y                    | 353,634               | 19,441                |
|                                                                               | Templeton Global Bond A                 | 603,723               | 781                   |
|                                                                               | <b>Total mutual funds</b>               | <b>80,595,280</b>     | <b>71,539,930</b>     |
|                                                                               | <b><i>Pooled Separate Accounts</i></b>  |                       |                       |
|                                                                               | IFX LT Balanced Fund I                  | 1,912,080             | 1,275,515             |
|                                                                               | IFX LT Income & Equity Fund I           | 584,193               | 517,572               |
|                                                                               | IFX LT Conservative Fund I              | 42,445                | 36,524                |
|                                                                               | <b>Total pooled separate accounts</b>   | <b>2,538,718</b>      | <b>1,829,611</b>      |
|                                                                               | Guaranteed Income Fund                  | 25,313,676*           | 24,952,559*           |
|                                                                               | Self-Directed Brokerage Accounts        | 2,260,152             | 2,347,285             |
|                                                                               | <b>Total investments, at fair value</b> | <b>\$ 110,707,826</b> | <b>\$ 100,669,385</b> |
|                                                                               | <b>Participant notes receivable</b>     | <b>\$ 1,893,074</b>   | <b>\$ 2,459,143</b>   |

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

| 3. Investments Certified by the Plan's Custodian and Trustee (cont.) | <i>December 31</i>                   | 2012                | 2011                |
|----------------------------------------------------------------------|--------------------------------------|---------------------|---------------------|
|                                                                      | <b>Dividend and interest income:</b> |                     |                     |
|                                                                      | Dividend income                      | \$ 1,030,851        | \$ 890,162          |
|                                                                      | Interest income                      | 814,369             | 838,483             |
|                                                                      | Interest income on participant notes | 96,541              | 118,822             |
|                                                                      | <b>Total</b>                         | <b>\$ 1,941,761</b> | <b>\$ 1,847,467</b> |

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

| <i>Years Ended December 31</i>                                      | 2012                | 2011                  |
|---------------------------------------------------------------------|---------------------|-----------------------|
| Mutual Funds                                                        | \$ 9,429,938        | \$ (3,930,072)        |
| Pooled separate accounts                                            | 229,028             | 11,736                |
| Self-directed brokerage accounts                                    | 124,630             | (117,493)             |
| <b>Net appreciation (depreciation) in fair value of investments</b> | <b>\$ 9,783,596</b> | <b>\$ (4,035,829)</b> |

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

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

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 4. Fair Value Measurements (cont.)

#### *Basis of Fair Value Measurement*

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 – Quoted prices of securities in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly,

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Valuation methodologies maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies used at December 31, 2012 and 2011.

#### *Mutual Funds and Self-Directed Brokerage Accounts*

Mutual funds represent investments with various investment managers. The fair value of these investments are determined by reference to the fund's underlying assets, which are principally marketable equity and fixed income securities. Shares held in mutual funds and the self-directed brokerage accounts traded on national securities exchanges are valued at the net asset value and/or prices per share as of December 31, 2012 and 2011.

There are no trading restrictions on the funds as of December 31, 2012 or 2011.

#### *Pooled Separate Accounts*

Pooled separate accounts represent investments with various investment managers. Units held in the accounts are valued at their net unit value which is based upon the value of the underlying securities at year end as determined by the custodian as of December 31, 2012 and 2011.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 4. Fair Value Measurements (cont.)

#### *Guaranteed Income Fund*

The Plan has a guaranteed income account with PRIAC which is considered to be fully benefit responsive. PRIAC maintains the participant contributions in a general account. This account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed income account is obligated to repay the principal and interest and a specified interest rate that is guaranteed to the Plan.

Participants may direct withdrawal or transfers of all or a portion of their account balance at contract value within reasonable time frames.

The crediting interest rate is based on a formula agreed upon with the issuer. The rate averaged 3.2% and 3.7% respectively at December 31, 2012 and 2011 for the account. The crediting interest rate is reset on a monthly basis, as a result, the fair value equals the contract value for the guaranteed income fund at December 31, 2012 and 2011, which is \$25,313,676 and \$24,952,559, respectively.

The following table sets forth by level within the fair value hierarchy the Plan investment assets and investment liabilities at fair value, as of December 31, 2012 and 2011. As required by ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Fund had no material financial liabilities as of December 31, 2012 and 2011.

Total Plan investment assets at fair value classified within level 3 were \$25,313,676 and \$24,952,559 as of December 31, 2012 and 2011, which consists of the Plan's guaranteed income account holdings. Such amounts were 23% and 25% of "Total investments" on the Plan's statements of net assets available for benefits at fair value as of December 31, 2012 and 2011, respectively. The assets held in the guaranteed income account were valued at the discontinuance value of the account. The discontinuance value is the estimated amount that would have been available if the Plan had terminated its participation in the guaranteed income account as of the valuation date.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

**4. Fair Value  
Measurements (cont.)**

|                                 |               | Investment Assets at Fair Value<br>as of December 31, 2012 |               |         |                |
|---------------------------------|---------------|------------------------------------------------------------|---------------|---------|----------------|
|                                 |               | Level 1                                                    | Level 2       | Level 3 | Total          |
| Mutual funds                    |               |                                                            |               |         |                |
| Growth                          | \$ 28,797,651 | \$ -                                                       | \$ -          | \$ -    | \$ 28,797,651  |
| Blend                           | 22,812,321    | -                                                          | -             | -       | 22,812,321     |
| Value                           | 15,029,208    | -                                                          | -             | -       | 15,029,208     |
| Bond                            | 13,956,100    | -                                                          | -             | -       | 13,956,100     |
| Self-directed brokerage         |               |                                                            |               |         |                |
| Corporate stock – common        | 1,619,708     | -                                                          | -             | -       | 1,619,708      |
| Mutual funds                    |               |                                                            |               |         |                |
| Growth                          | 203,056       | -                                                          | -             | -       | 203,056        |
| Blend                           | 108,225       | -                                                          | -             | -       | 108,225        |
| Bond                            | 38,826        | -                                                          | -             | -       | 38,826         |
| Commodities                     | 9,936         | -                                                          | -             | -       | 9,936          |
| Interest bearing cash           | 219,101       | -                                                          | -             | -       | 219,101        |
| Other                           | 61,300        | -                                                          | -             | -       | 61,300         |
| Pooled separate accounts        |               |                                                            |               |         |                |
| Retirement Income               | -             | 2,538,718                                                  | -             | -       | 2,538,718      |
| Guaranteed income               | -             | -                                                          | 25,313,676    | -       | 25,313,676     |
| Total investments at fair value | \$ 82,855,432 | \$ 2,538,718                                               | \$ 25,313,676 | \$ -    | \$ 110,707,826 |

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

### 4. Fair Value Measurements (cont.)

|                                 |               | Investment Assets at Fair Value<br>as of December 31, 2011 |               |         |                |
|---------------------------------|---------------|------------------------------------------------------------|---------------|---------|----------------|
|                                 |               | Level 1                                                    | Level 2       | Level 3 | Total          |
| Mutual funds                    |               |                                                            |               |         |                |
| Growth                          | \$ 24,401,973 | \$ -                                                       | \$ -          | \$ -    | \$ 24,401,973  |
| Blend                           | 22,380,802    | -                                                          | -             | -       | 22,380,802     |
| Value                           | 13,568,063    | -                                                          | -             | -       | 13,568,063     |
| Bond                            | 11,189,092    | -                                                          | -             | -       | 11,189,092     |
| Self-directed brokerage         |               |                                                            |               |         |                |
| Corporate stock – common        | 1,352,459     | -                                                          | -             | -       | 1,352,459      |
| Mutual funds                    |               |                                                            |               |         |                |
| Bond                            | 336,912       | -                                                          | -             | -       | 336,912        |
| Blend                           | 113,569       | -                                                          | -             | -       | 113,569        |
| Growth                          | 132,166       | -                                                          | -             | -       | 132,166        |
| Commodities                     | 9,434         | -                                                          | -             | -       | 9,434          |
| Interest bearing cash           | 374,626       | -                                                          | -             | -       | 374,626        |
| Other                           | 28,119        | -                                                          | -             | -       | 28,119         |
| Pooled separate accounts        |               |                                                            |               |         |                |
| Retirement Income               | -             | 1,829,611                                                  | -             | -       | 1,829,611      |
| Guaranteed income               | -             | -                                                          | 24,952,559    | -       | 24,952,559     |
| Total investments at fair value | \$ 2,347,285  | \$ 1,829,611                                               | \$ 24,952,559 | \$ -    | \$ 100,669,385 |

The investment strategy for the investment that uses the Net Asset Value practical expedient under ASU 2009-12, *Investments in Certain Entities That Calculate Net Asset per Share (or Its Equivalent)*, is as follows:

*Pooled Separate Accounts:* to provide safety of principal using the fundamentals of asset allocation with a moderate investing style. There is no assurance the objective will be met.

Participants have no restrictions or redemption period requirements. There are no unfunded commitments relating to the pooled separate accounts.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

4. **Fair Value Measurements (cont.)** The tables below set forth a summary of changes in the fair value of the Plan's level 3 investment assets for the years ended December 31, 2012 and 2011:

|                               | <b>Level 3 Investment Assets</b> |                      |
|-------------------------------|----------------------------------|----------------------|
|                               | <b>Guaranteed Income</b>         |                      |
|                               | <b>2012</b>                      | <b>2011</b>          |
| Balance, beginning of year    | \$ 24,952,559                    | \$ 22,184,745        |
| Purchases                     | 1,401,035                        | 1,319,560            |
| Interest credited             | 814,369                          | 838,483              |
| Transfers in                  | 4,301,983                        | 7,629,335            |
| Settlements                   | (3,877,028)                      | (3,258,517)          |
| Transfers to separate account | (16)                             | (10,566)             |
| Transfers out                 | (2,279,226)                      | (3,750,481)          |
| Balance, end of year          | <b>\$ 25,313,676</b>             | <b>\$ 24,952,559</b> |

Purchases for the years ended December 31, 2012 and 2011 include revenue-sharing deposits from the custodian and trustee of \$123,380 and \$137,296, respectively. Transfers out for the years ended December 31, 2012 and 2011 include assets sold to pay direct fees of \$123,380 and \$137,296.

At December 31, 2012 and 2011, approximately \$6,000 and \$208,000, respectively, was invested in the guaranteed income fund and was available to pay Plan expenses or to be remitted to Plan participants on a pro-rata basis. For the years ended December 31, 2012 and 2011, \$0 and \$196,000 was reallocated to Plan participants, respectively.

The following table sets forth the valuation techniques used to measure the fair value of the guaranteed income fund and the significant unobservable inputs and the ranges of values for those inputs as of and for the year ended December 31, 2012.

| Type                   | Fair Value   | Valuation Technique  | Unobservable Inputs       | Range of Significant Input Values |
|------------------------|--------------|----------------------|---------------------------|-----------------------------------|
| Guaranteed income fund | \$25,313,676 | Discontinuance value | Guaranteed crediting rate | 3.20% - 3.35%                     |

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

**5. Terminated  
Participants**

When participants terminate employment with the Plan sponsor, they may choose to leave their investments in the Plan, as long as their balance is greater than \$1,000. As of December 31, 2012 and 2011, there were 383 and 318 terminated participants who had not withdrawn their account balances totaling \$30,492,499 and \$21,532,495, respectively.

**6. Tax Status**

The Plan is a non-standardized prototype plan of PICA. The Plan obtained its latest opinion letter on March 31, 2008, in which the Internal Revenue Service (IRS) stated that the Plan, as designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since the last opinion letter, including an amendment to correct an operational error relating to the automatic deferral feature.

In September 2011, the Company filed a Voluntary Correction Program (VCP) submission with the IRS which further details these matters and the Company's plan for correcting them. On October 25, 2012, the IRS issued a Compliance Statement in response to the VCP submission indicating agreement with the Company's method of correction of the failures identified in the VCP.

The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Internal Revenue Code and, therefore, management has determined that no provision for income taxes is to be included in the accompanying financial statements.

Generally accepted accounting principles require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the relevant taxing authority. The tax positions taken include the Plan status as a qualified plan. Management believes that the Plan is operating in a manner that does not jeopardize its tax status. Therefore, no provision for income taxes has been included in the Plan's financial statements.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Plan is no longer subject to income tax examinations for years prior to 2009.

**7. Party-In-Interest  
Transactions**

Certain plan investments are managed by PRIAC and Prudential, the custodian and trustee of the Plan; therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for custodial and recordkeeping services, including participant note administration, were \$6,290 and \$9,897 for the years ended December 31, 2012 and 2011, respectively.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

**8. Reconciliation of  
Financial Statements  
to Schedule H of  
Form 5500**

Certain contributions receivable are recorded at different amounts on Schedule H of Form 5500, when compared to the financial statement amounts, which were prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The following is a reconciliation of net assets available for plan benefits per the financial statements as of December 31, 2012 and 2011 to Schedule H of Form 5500:

| <i>December 31</i>                                                  | <b>2012</b>           | 2011           |
|---------------------------------------------------------------------|-----------------------|----------------|
| Net assets available for plan benefits per the financial statements | <b>\$ 112,800,823</b> | \$ 103,314,512 |
| Contributions receivable from:                                      |                       |                |
| Employer                                                            | <b>(90,958)</b>       | (84,678)       |
| Participants                                                        | <b>(108,965)</b>      | (101,306)      |
| Net assets available for plan benefits per Schedule H of Form 5500  | <b>\$ 112,600,900</b> | \$ 103,128,528 |

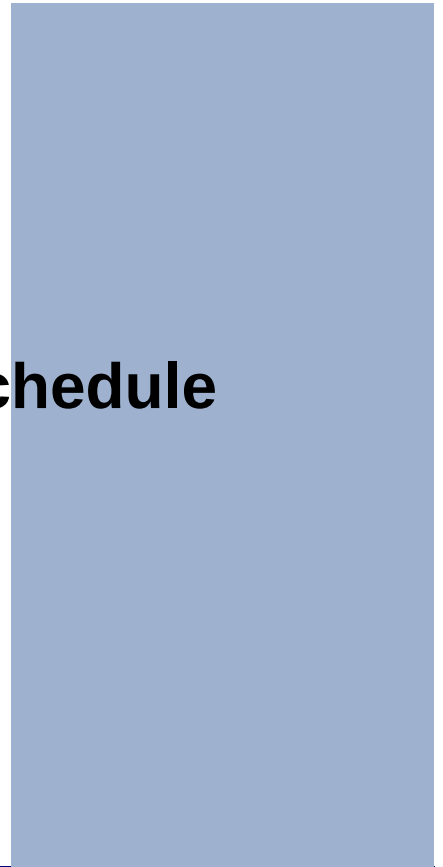
The following is a reconciliation of the net increase (decrease) per the financial statements for the years ended December 31, 2012 and 2011 to the net increase (decrease) on Schedule H of the Form 5500.

| <i>December 31</i>                                   | <b>2012</b>         | 2011            |
|------------------------------------------------------|---------------------|-----------------|
| Net increase (decrease) per the financial statements | <b>\$ 9,486,311</b> | \$ ( 3,480,750) |
| Difference in contributions receivable from:         |                     |                 |
| Employer                                             | <b>(6,280)</b>      | 71,875          |
| Participants                                         | <b>(7,659)</b>      | 8,566           |
| Net increase (decrease) per Schedule H of Form 5500  | <b>\$ 9,472,372</b> | \$ (3,400,309)  |

**9. Subsequent Events**

Subsequent events have been evaluated through October 9, 2013, which is the date financial statements were available to be issued. Management did not identify any events requiring recording or disclosure in the financial statements for the year ended December 31, 2012.

## **Supplemental Schedule**



# Ansaldo STS USA Retirement/Savings Plan

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

EIN: 25-1579001  
Plan Number: 001

December 31, 2012

| (a)                      | (b) Identity of Issue, Borrower, Lessor or Similar Party | (c) Description of Investment including maturity date, rate of interest, collateral, par, or maturity value                                                                                                                                                                                                      | (d) Number of Shares/Units | (e) Cost | (f) Current Value     |
|--------------------------|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------|-----------------------|
|                          |                                                          | Prudential Guaranteed                                                                                                                                                                                                                                                                                            |                            |          |                       |
| *                        | Guaranteed Income Fund                                   | Income Account                                                                                                                                                                                                                                                                                                   | 859,877.06                 | a        | \$ 25,313,676         |
|                          | T Rowe Price Blue Chip Growth Adv                        | Mutual Funds                                                                                                                                                                                                                                                                                                     | 430,844.39                 | a        | 19,616,345            |
|                          | RidgeWorth Large Cap Value Equity A                      | Mutual Funds                                                                                                                                                                                                                                                                                                     | 813,780.33                 | a        | 11,506,854            |
|                          | Euro Pacific Growth Fund                                 | Mutual Funds                                                                                                                                                                                                                                                                                                     | 246,298.26                 | a        | 10,152,414            |
|                          | PIMCO Total Return Bond Admin                            | Mutual Funds                                                                                                                                                                                                                                                                                                     | 837,536.20                 | a        | 9,413,907             |
|                          | Thornburg International Value R5                         | Mutual Funds                                                                                                                                                                                                                                                                                                     | 165,715.25                 | a        | 4,646,656             |
|                          | Frank US Government Sec A                                | Mutual Funds                                                                                                                                                                                                                                                                                                     | 579,186.72                 | a        | 3,938,470             |
|                          | Blackrock Small Cap Growth Equity                        | Mutual Funds                                                                                                                                                                                                                                                                                                     | 152,753.27                 | a        | 3,554,569             |
|                          | Allianz NFJ Small Cap Value Admin                        | Mutual Funds                                                                                                                                                                                                                                                                                                     | 124,113.95                 | a        | 3,522,354             |
|                          | Oakmark Equity and Income                                | Mutual Funds                                                                                                                                                                                                                                                                                                     | 119,392.83                 | a        | 3,402,696             |
|                          | Spartan 500 Index Fund                                   | Mutual Funds                                                                                                                                                                                                                                                                                                     | 58,593.47                  | a        | 2,958,384             |
|                          | Self-Directed Brokerage                                  | Self-directed Brokerage Accounts                                                                                                                                                                                                                                                                                 | 2,260,152.00               | a        | 2,260,152             |
|                          | Morgan Stanley Inst Mid Cap                              | Mutual Funds                                                                                                                                                                                                                                                                                                     | 66,371.55                  | a        | 2,216,810             |
| *                        | IFX LT Balanced Fund I                                   | Pooled Separate Account                                                                                                                                                                                                                                                                                          | 165,294.66                 | a        | 1,912,080             |
|                          | Eaton Vance Small-Mid Cap A                              | Mutual Funds                                                                                                                                                                                                                                                                                                     | 102,060.39                 | a        | 1,738,088             |
|                          | Columbia Mid Cap Value Z                                 | Mutual Funds                                                                                                                                                                                                                                                                                                     | 111,482.54                 | a        | 1,652,171             |
|                          | JPMorgan US Equity A                                     | Mutual Funds                                                                                                                                                                                                                                                                                                     | 117,591.86                 | a        | 1,318,205             |
|                          | Templeton Global Bond A                                  | Mutual Funds                                                                                                                                                                                                                                                                                                     | 45,121.41                  | a        | 603,723               |
| *                        | IFX LT Income and Equity Fund I                          | Pooled Separate Account                                                                                                                                                                                                                                                                                          | 46,963.55                  | a        | 584,193               |
|                          | Ivy Asset Strategy Y                                     | Mutual Funds                                                                                                                                                                                                                                                                                                     | 13,638.02                  | a        | 353,634               |
| *                        | IFX LT Conservative Fund I                               | Pooled Separate Account                                                                                                                                                                                                                                                                                          | 3,550.49                   | a        | 42,445                |
|                          | Participant Notes Receivable                             | Notes receivable from Plan participants. The notes have maturity dates which vary between one and fifteen years. Interest rates are prime plus 1% and are collateralized by the participants' balances in the Plan. Maturity value is principal plus accrued interest. Interest rates range from 4.25% - 10.25%. | -                          |          | 1,893,074             |
| <b>Total Assets Held</b> |                                                          |                                                                                                                                                                                                                                                                                                                  |                            |          | <b>\$ 112,600,900</b> |

\* Party in Interest

a The cost of participant directed investments is not required to be disclosed.

*See the accompanying Independent Auditors' Report.*

# **Ansaldo STS USA Retirement/Savings Plan**

**Financial Statements**  
December 31, 2012 and 2011  
**Supplemental Schedule**  
December 31, 2012

# **Ansaldo STS USA Retirement/Savings Plan**

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## **Independent Auditors' Report**

To the Participants and Plan Administrator of  
Ansaldo STS USA Retirement/Savings Plan  
Pittsburgh, Pennsylvania

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Ansaldo STS USA Retirement/Savings Plan (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 related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company, the custodian of the Plan, and Prudential Bank & Trust, F.S.B., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian and trustee hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained a certification from the custodian and trustee as of December 31, 2012 and 2011, and for the years then ended, that the information provided to the plan administrator by the custodian and trustee is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

***Other Matter***

The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2012 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian and trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



October 9, 2013  
Pittsburgh, Pennsylvania

# Ansaldo STS USA Retirement/Savings Plan

## Statements of Net Assets Available for Benefits

| <i>December 31,</i>                      | <b>2012</b>           | <b>2011</b>           |
|------------------------------------------|-----------------------|-----------------------|
| <b>Assets</b>                            |                       |                       |
| <b>Investments, at fair value</b>        |                       |                       |
| Mutual funds                             | \$ 80,595,280         | \$ 71,539,930         |
| Pooled separate accounts                 | 2,538,718             | 1,829,611             |
| Guaranteed income fund                   | 25,313,676            | 24,952,559            |
| Self-directed brokerage accounts         | 2,260,152             | 2,347,285             |
| <b>Total investments</b>                 | <b>110,707,826</b>    | <b>100,669,385</b>    |
| <b>Receivables</b>                       |                       |                       |
| Employer                                 | 90,958                | 84,678                |
| Participants                             | 108,965               | 101,306               |
| Participant notes receivable             | 1,893,074             | 2,459,143             |
| <b>Total receivables</b>                 | <b>2,092,997</b>      | <b>2,645,127</b>      |
| <b>Net assets available for benefits</b> | <b>\$ 112,800,823</b> | <b>\$ 103,314,512</b> |

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

# Ansaldo STS USA Retirement/Savings Plan

## Statements of Changes in Net Assets Available for Benefits

| <i>Years ended December 31,</i>                              | <b>2012</b>           | <b>2011</b>           |
|--------------------------------------------------------------|-----------------------|-----------------------|
| <b>Additions:</b>                                            |                       |                       |
| Investment income:                                           |                       |                       |
| Net appreciation (depreciation) in fair value of investments | \$ 9,783,596          | \$ (4,035,829)        |
| Dividends and interest                                       | 1,845,220             | 1,728,645             |
| <b>Total investment income (loss)</b>                        | <b>11,628,816</b>     | <b>(2,307,184)</b>    |
| <b>Interest income on participant notes</b>                  | <b>96,541</b>         | <b>118,822</b>        |
| Contributions:                                               |                       |                       |
| Employer                                                     | 2,631,256             | 2,600,588             |
| Participants                                                 | 5,685,527             | 5,066,416             |
| <b>Total contributions</b>                                   | <b>8,316,783</b>      | <b>7,667,004</b>      |
| <b>Total additions</b>                                       | <b>20,042,140</b>     | <b>5,478,642</b>      |
| <b>Deductions:</b>                                           |                       |                       |
| Benefits paid to participants                                | 10,549,539            | 8,949,495             |
| Administrative expenses                                      | 6,290                 | 9,897                 |
| <b>Total deductions</b>                                      | <b>10,555,829</b>     | <b>8,959,392</b>      |
| <b>Net increase (decrease)</b>                               | <b>9,486,311</b>      | <b>(3,480,750)</b>    |
| <b>Net assets available for benefits, beginning of year</b>  | <b>103,314,512</b>    | <b>106,795,262</b>    |
| <b>Net assets available for benefits, end of year</b>        | <b>\$ 112,800,823</b> | <b>\$ 103,314,512</b> |

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

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description**

The following description of the Ansaldo STS USA Retirement/Savings Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement or Summary Plan Description for a more complete description of the Plan's provisions.

#### ***General***

The Plan is a defined contribution retirement plan covering substantially all employees of Ansaldo STS USA, Inc. (the Company) who become eligible to participate upon their date of hire. The Company is a wholly-owned subsidiary of Ansaldo STS S.p.A. (ASTS), an Italian corporation. As of December 31, 2012 and 2011, ASTS is a forty percent owned subsidiary of Finmeccanica S.p.A. a major Italian industrial company. The Plan is sponsored and administered by the Company and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Prudential Bank & Trust, FSB (Prudential) is the trustee of the Plan and holds the Plan's mutual fund investments, self-directed brokerage accounts and participant notes receivable. The Plan was amended and restated to adopt the prototype defined contribution plan sponsored by Prudential Insurance Company of America (PICA), along with appointing Prudential Retirement Insurance and Annuity Company (PRIAC) as the new third-party administrator and custodian for specific investments of the Plan.

The custodian holds the Plan's pooled separate accounts and guaranteed income fund and is responsible for executing investment transactions and making distributions to participants according to the Plan's provisions. PRIAC also provides recordkeeping and reporting services for the Plan. Certain expenses incurred by the Plan, including fees and expenses of the recordkeeper for participant note administration and other administrative costs, are paid directly by the Plan.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description (cont.)**

#### ***Contributions***

Participants may elect to contribute to the Plan based on a percentage of their annual compensation. A participant may defer from 1% and not more than 75% of eligible compensation. The elective deferrals are subject to the maximum dollar amount under the Internal Revenue Code (IRC). In addition, a participant may also “opt-in” to elect to have an automatic 1% annual deferral escalation feature apply that is limited to a maximum of 12% of eligible compensation.

Participants may direct the investment of their contributions into various investment options offered by the Plan. The Plan also permits catch-up contributions, Roth elective deferrals and rollover contributions from other qualified plans.

The Company makes three types of contributions to the Plan: 1) basic contributions of 2% of the participant’s annual compensation; 2) matching contributions equal to 100% of the first \$250 contributed by the participant and 50% of the remaining participant contributions, up to 6% of the participant’s annual compensation; and 3) contributions at the discretion of the Company. There were no discretionary contributions in 2012 and 2011.

#### ***Investment Options***

Contributions to the Plan are invested, at the direction of the participants, in a variety of investment options (Note 3). Participants determine the amount to be invested and may make changes in their investment elections at any time.

#### ***Participant Accounts***

The plan administrator maintains separate participant accounts for each participant. Each participant’s account is credited with their voluntary contribution and with an allocation of the Company’s contributions and plan earnings and expenses (Note 7). Allocations of the Company’s contributions are based on employee contributions or compensation, as applicable. Allocations of plan earnings and expenses are based on the investment income (loss) of the elected investment funds. The benefit to which a participant is entitled is the benefit that can be provided from his or her vested account.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description (cont.)**

#### ***Vesting***

Participants are immediately vested in their voluntary and rollover contributions and actual earnings thereon. Vesting in the employer contribution portion of their accounts plus earnings thereon is based on years of continuous service. Participants vest 25% per year beginning after 2 years of service and are 100% vested after 5 years of service.

#### ***Forfeitures***

The unvested portion of the account balance of a participant who leaves the Company is forfeited. If the participant is re-employed by the Company within a five-year period and repays the full amount of his or her distribution, the amount forfeited is reinstated and the participant continues normal vesting. Forfeited nonvested amounts may be used to reduce employer contributions to the Plan. Forfeitures reduced employer contributions by approximately \$133,000 and \$126,000 in 2012 and 2011, respectively. The balance remaining in the forfeiture account at December 31, 2012 and 2011 was approximately \$199,000 and \$30,000 respectively.

#### ***Benefits***

Terminated or retired plan participants with vested account balances of less than \$1,000 automatically receive a lump-sum distribution. Terminated or retired plan participants with vested account balances equal to or greater than the applicable automatic distribution amount may elect to receive either a lump-sum benefit payment equal to the value of their account or annual benefit payment installments. During active employment, participants may withdraw their contributions for financial hardship upon approval by the Retirement Committee. Participants who are at least 59½ years old may also make in-service withdrawals of all contributions in their account.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description (cont.)**

#### ***Participant Notes Receivable***

Participants may borrow from their fund accounts up to a maximum equal to the lesser of \$50,000 or one-half of their vested account balance, reduced by the participants' highest outstanding note balance during the prior 12 months. The minimum amount that participants may borrow is \$1,000. Note repayment terms may not exceed 60 months unless the note is granted for the purpose of acquiring the principal residence of the participant. In that case, repayment is required over a reasonable period of time, not to exceed 180 months. Interest on notes is charged at a commercially acceptable rate as published by the custodian on a monthly basis. Interest rates range from 4.25% to 10.25%. Participant notes are valued at their outstanding balances, which approximate fair value.

#### ***Plan Expenses***

Certain administrative expenses of the Plan are paid directly by the Company. To the extent the Company does not pay Plan expenses, the Plan generally will pay the expenses of Plan administration and will assess the expenses paid against the accounts of all participants in the Plan. The Plan will assess against an individual participant's account the applicable fees which are attributable to a particular participant based on the use of a selected Plan feature.

In addition, the Company entered into an Administrative Services Agreement (the Agreement) with PRIAC. This agreement includes a revenue-sharing arrangement whereby PRIAC shares revenue generated by the Plan in excess of their fee. Deposits relating to the revenue-sharing arrangement are invested in the guaranteed income fund, and are used to pay other Plan expenses with any remaining amounts reallocated to participants.

#### ***Plan Termination***

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination or partial termination, participants become 100% vested in their accounts.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **2. Summary of Significant Accounting Policies**

#### ***Basis of Accounting***

The accompanying financial statements of the Plan are prepared on the accrual basis of accounting generally accepted in the United States of America.

#### ***New Accounting Standard***

In May 2011, the Financial Accounting Standards Board issued ASU 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs (ASU 2011-04). ASU 2011-04 amended Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, to provide a consistent definition of fair value and improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRSs. Some of the amendments clarify the application of existing fair value measurement and disclosure requirements, while other amendments change a particular principle or requirement for measuring fair value or disclosing information about fair value measurements. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Adoption of the standard did not result in a material impact to the Plan financial statements as of or for the year ended December 31, 2012.

#### ***Investment Valuation and Income Recognition***

The investments of the Plan are stated at fair value. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of the investments within the Plan are reflected on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Changes in the fair value of investments between years are included in net appreciation in fair value of investments in the statements of changes in net assets available for benefits.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **2. Summary of Significant Accounting Policies (cont.)**

ASC 962, *Plan Accounting Defined Contribution Pension Plans*, requires investment contracts that are held by a defined-contribution plan to be reported at fair value. This applies even when the contracts are not held directly by the Plan but are underlying assets in common collective trust investments held by the Plan. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Plan invests in investment contracts through the Guaranteed Income Fund. The Statement of Net Assets Available for Benefits would normally present the fair value of the investment contract as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. However, the fair value of such investment equals contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

#### ***Payment of Benefits***

Benefits to participants are recorded when paid.

#### ***Use of Estimates***

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

#### ***Risks and Uncertainties***

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

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

**2. Summary of  
Significant  
Accounting Policies  
(cont.)**

***Related Party Transactions***

Plan investments consist of shares of mutual funds and self-directed brokerage accounts, which are held by Prudential, the trustee, and pooled separate accounts and a guaranteed interest account, which are held by PRIAC, the custodian of the Plan.

**3. Investments Certified  
by the Plan's  
Custodian and  
Trustee**

The assets of the Plan are managed in accordance with a custodial agreement with Prudential. The Plan's participants direct all investments, including investments into self-directed brokerage accounts. The self-directed brokerage account invests in a variety of investments including corporate stock-common, mutual funds, interest bearing cash, partnership/joint venture interests, and corporate debt instruments.

There are no non-participant directed investments as of December 31, 2012 and 2011.

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the custodian and trustee have certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate. Investments that represent five percent (5%) or more of the Plan's net assets are separately identified with an asterisk (\*) in the following table:

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

| 3. Investments Certified<br>by the Plan's<br>Custodian and<br>Trustee (cont.) | <i>December 31</i>                      | 2012                  | 2011                  |
|-------------------------------------------------------------------------------|-----------------------------------------|-----------------------|-----------------------|
|                                                                               | <b><i>Mutual Funds</i></b>              |                       |                       |
|                                                                               | T Rowe Price Blue Chip Growth Adv       | \$ 19,616,345*        | \$ 17,610,809*        |
|                                                                               | RidgeWorth Large Cap Value Equity A     | 11,506,854*           | 10,260,661*           |
|                                                                               | Euro Pacific Growth Fund                | 10,152,414*           | 9,072,228*            |
|                                                                               | PIMCO Total Return Bond Admin           | 9,413,907*            | 7,917,788*            |
|                                                                               | Oakmark Equity and Income               | 3,402,696             | 3,936,211             |
|                                                                               | Thornburg International Value R5        | 4,646,656             | 3,814,326             |
|                                                                               | Allianz NFJ Small Cap Value Admin       | 3,522,354             | 3,307,402             |
|                                                                               | Blackrock Small Cap Growth Equity       | 3,554,569             | 3,287,195             |
|                                                                               | Frank US Government Sec A               | 3,938,470             | 3,270,523             |
|                                                                               | Spartan 500 Index Fund                  | 2,958,384             | 2,964,369             |
|                                                                               | Morgan Stanley Inst Mid Cap             | 2,216,810             | 1,916,829             |
|                                                                               | Eaton Vance Small-Mid Cap A             | 1,738,088             | 1,567,699             |
|                                                                               | Columbia Mid Cap Value Z                | 1,652,171             | 1,349,670             |
|                                                                               | JPMorgan US Equity A                    | 1,318,205             | 1,243,998             |
|                                                                               | Ivy Asset Strategy Y                    | 353,634               | 19,441                |
|                                                                               | Templeton Global Bond A                 | 603,723               | 781                   |
|                                                                               | <b>Total mutual funds</b>               | <b>80,595,280</b>     | <b>71,539,930</b>     |
|                                                                               | <b><i>Pooled Separate Accounts</i></b>  |                       |                       |
|                                                                               | IFX LT Balanced Fund I                  | 1,912,080             | 1,275,515             |
|                                                                               | IFX LT Income & Equity Fund I           | 584,193               | 517,572               |
|                                                                               | IFX LT Conservative Fund I              | 42,445                | 36,524                |
|                                                                               | <b>Total pooled separate accounts</b>   | <b>2,538,718</b>      | <b>1,829,611</b>      |
|                                                                               | Guaranteed Income Fund                  | 25,313,676*           | 24,952,559*           |
|                                                                               | Self-Directed Brokerage Accounts        | 2,260,152             | 2,347,285             |
|                                                                               | <b>Total investments, at fair value</b> | <b>\$ 110,707,826</b> | <b>\$ 100,669,385</b> |
|                                                                               | <b>Participant notes receivable</b>     | <b>\$ 1,893,074</b>   | <b>\$ 2,459,143</b>   |

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

| 3. Investments Certified by the Plan's Custodian and Trustee (cont.) | <i>December 31</i>                   | 2012                | 2011                |
|----------------------------------------------------------------------|--------------------------------------|---------------------|---------------------|
|                                                                      | <b>Dividend and interest income:</b> |                     |                     |
|                                                                      | Dividend income                      | \$ 1,030,851        | \$ 890,162          |
|                                                                      | Interest income                      | 814,369             | 838,483             |
|                                                                      | Interest income on participant notes | 96,541              | 118,822             |
|                                                                      | <b>Total</b>                         | <b>\$ 1,941,761</b> | <b>\$ 1,847,467</b> |

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

| <i>Years Ended December 31</i>                                      | 2012                | 2011                  |
|---------------------------------------------------------------------|---------------------|-----------------------|
| Mutual Funds                                                        | \$ 9,429,938        | \$ (3,930,072)        |
| Pooled separate accounts                                            | 229,028             | 11,736                |
| Self-directed brokerage accounts                                    | 124,630             | (117,493)             |
| <b>Net appreciation (depreciation) in fair value of investments</b> | <b>\$ 9,783,596</b> | <b>\$ (4,035,829)</b> |

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

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

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 4. Fair Value Measurements (cont.)

#### *Basis of Fair Value Measurement*

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 – Quoted prices of securities in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly,

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Valuation methodologies maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies used at December 31, 2012 and 2011.

#### *Mutual Funds and Self-Directed Brokerage Accounts*

Mutual funds represent investments with various investment managers. The fair value of these investments are determined by reference to the fund's underlying assets, which are principally marketable equity and fixed income securities. Shares held in mutual funds and the self-directed brokerage accounts traded on national securities exchanges are valued at the net asset value and/or prices per share as of December 31, 2012 and 2011.

There are no trading restrictions on the funds as of December 31, 2012 or 2011.

#### *Pooled Separate Accounts*

Pooled separate accounts represent investments with various investment managers. Units held in the accounts are valued at their net unit value which is based upon the value of the underlying securities at year end as determined by the custodian as of December 31, 2012 and 2011.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 4. Fair Value Measurements (cont.)

#### *Guaranteed Income Fund*

The Plan has a guaranteed income account with PRIAC which is considered to be fully benefit responsive. PRIAC maintains the participant contributions in a general account. This account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed income account is obligated to repay the principal and interest and a specified interest rate that is guaranteed to the Plan.

Participants may direct withdrawal or transfers of all or a portion of their account balance at contract value within reasonable time frames.

The crediting interest rate is based on a formula agreed upon with the issuer. The rate averaged 3.2% and 3.7% respectively at December 31, 2012 and 2011 for the account. The crediting interest rate is reset on a monthly basis, as a result, the fair value equals the contract value for the guaranteed income fund at December 31, 2012 and 2011, which is \$25,313,676 and \$24,952,559, respectively.

The following table sets forth by level within the fair value hierarchy the Plan investment assets and investment liabilities at fair value, as of December 31, 2012 and 2011. As required by ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Fund had no material financial liabilities as of December 31, 2012 and 2011.

Total Plan investment assets at fair value classified within level 3 were \$25,313,676 and \$24,952,559 as of December 31, 2012 and 2011, which consists of the Plan's guaranteed income account holdings. Such amounts were 23% and 25% of "Total investments" on the Plan's statements of net assets available for benefits at fair value as of December 31, 2012 and 2011, respectively. The assets held in the guaranteed income account were valued at the discontinuance value of the account. The discontinuance value is the estimated amount that would have been available if the Plan had terminated its participation in the guaranteed income account as of the valuation date.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

**4. Fair Value  
Measurements (cont.)**

|                                 |               | Investment Assets at Fair Value<br>as of December 31, 2012 |               |                |               |
|---------------------------------|---------------|------------------------------------------------------------|---------------|----------------|---------------|
|                                 |               | Level 1                                                    | Level 2       | Level 3        | Total         |
| Mutual funds                    |               |                                                            |               |                |               |
| Growth                          | \$ 28,797,651 | \$ -                                                       | \$ -          | \$ -           | \$ 28,797,651 |
| Blend                           | 22,812,321    | -                                                          | -             | -              | 22,812,321    |
| Value                           | 15,029,208    | -                                                          | -             | -              | 15,029,208    |
| Bond                            | 13,956,100    | -                                                          | -             | -              | 13,956,100    |
| Self-directed brokerage         |               |                                                            |               |                |               |
| Corporate stock – common        | 1,619,708     | -                                                          | -             | -              | 1,619,708     |
| Mutual funds                    |               |                                                            |               |                |               |
| Growth                          | 203,056       | -                                                          | -             | -              | 203,056       |
| Blend                           | 108,225       | -                                                          | -             | -              | 108,225       |
| Bond                            | 38,826        | -                                                          | -             | -              | 38,826        |
| Commodities                     | 9,936         | -                                                          | -             | -              | 9,936         |
| Interest bearing cash           | 219,101       | -                                                          | -             | -              | 219,101       |
| Other                           | 61,300        | -                                                          | -             | -              | 61,300        |
| Pooled separate accounts        |               |                                                            |               |                |               |
| Retirement Income               | -             | 2,538,718                                                  | -             | -              | 2,538,718     |
| Guaranteed income               | -             | -                                                          | 25,313,676    | -              | 25,313,676    |
| Total investments at fair value | \$ 82,855,432 | \$ 2,538,718                                               | \$ 25,313,676 | \$ 110,707,826 |               |

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

### 4. Fair Value Measurements (cont.)

|                                 |               | Investment Assets at Fair Value<br>as of December 31, 2011 |               |         |                |
|---------------------------------|---------------|------------------------------------------------------------|---------------|---------|----------------|
|                                 |               | Level 1                                                    | Level 2       | Level 3 | Total          |
| Mutual funds                    |               |                                                            |               |         |                |
| Growth                          | \$ 24,401,973 | \$ -                                                       | \$ -          | \$ -    | \$ 24,401,973  |
| Blend                           | 22,380,802    | -                                                          | -             | -       | 22,380,802     |
| Value                           | 13,568,063    | -                                                          | -             | -       | 13,568,063     |
| Bond                            | 11,189,092    | -                                                          | -             | -       | 11,189,092     |
| Self-directed brokerage         |               |                                                            |               |         |                |
| Corporate stock – common        | 1,352,459     | -                                                          | -             | -       | 1,352,459      |
| Mutual funds                    |               |                                                            |               |         |                |
| Bond                            | 336,912       | -                                                          | -             | -       | 336,912        |
| Blend                           | 113,569       | -                                                          | -             | -       | 113,569        |
| Growth                          | 132,166       | -                                                          | -             | -       | 132,166        |
| Commodities                     | 9,434         | -                                                          | -             | -       | 9,434          |
| Interest bearing cash           | 374,626       | -                                                          | -             | -       | 374,626        |
| Other                           | 28,119        | -                                                          | -             | -       | 28,119         |
| Pooled separate accounts        |               |                                                            |               |         |                |
| Retirement Income               | -             | 1,829,611                                                  | -             | -       | 1,829,611      |
| Guaranteed income               | -             | -                                                          | 24,952,559    | -       | 24,952,559     |
| Total investments at fair value | \$ 2,347,285  | \$ 1,829,611                                               | \$ 24,952,559 | \$ -    | \$ 100,669,385 |

The investment strategy for the investment that uses the Net Asset Value practical expedient under ASU 2009-12, *Investments in Certain Entities That Calculate Net Asset per Share (or Its Equivalent)*, is as follows:

*Pooled Separate Accounts:* to provide safety of principal using the fundamentals of asset allocation with a moderate investing style. There is no assurance the objective will be met.

Participants have no restrictions or redemption period requirements. There are no unfunded commitments relating to the pooled separate accounts.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

4. **Fair Value Measurements (cont.)** The tables below set forth a summary of changes in the fair value of the Plan's level 3 investment assets for the years ended December 31, 2012 and 2011:

|                               | <b>Level 3 Investment Assets</b> |                      |
|-------------------------------|----------------------------------|----------------------|
|                               | <b>Guaranteed Income</b>         |                      |
|                               | <b>2012</b>                      | <b>2011</b>          |
| Balance, beginning of year    | \$ 24,952,559                    | \$ 22,184,745        |
| Purchases                     | 1,401,035                        | 1,319,560            |
| Interest credited             | 814,369                          | 838,483              |
| Transfers in                  | 4,301,983                        | 7,629,335            |
| Settlements                   | (3,877,028)                      | (3,258,517)          |
| Transfers to separate account | (16)                             | (10,566)             |
| Transfers out                 | (2,279,226)                      | (3,750,481)          |
| Balance, end of year          | <b>\$ 25,313,676</b>             | <b>\$ 24,952,559</b> |

Purchases for the years ended December 31, 2012 and 2011 include revenue-sharing deposits from the custodian and trustee of \$123,380 and \$137,296, respectively. Transfers out for the years ended December 31, 2012 and 2011 include assets sold to pay direct fees of \$123,380 and \$137,296.

At December 31, 2012 and 2011, approximately \$6,000 and \$208,000, respectively, was invested in the guaranteed income fund and was available to pay Plan expenses or to be remitted to Plan participants on a pro-rata basis. For the years ended December 31, 2012 and 2011, \$0 and \$196,000 was reallocated to Plan participants, respectively.

The following table sets forth the valuation techniques used to measure the fair value of the guaranteed income fund and the significant unobservable inputs and the ranges of values for those inputs as of and for the year ended December 31, 2012.

| Type                   | Fair Value   | Valuation Technique  | Unobservable Inputs       | Range of Significant Input Values |
|------------------------|--------------|----------------------|---------------------------|-----------------------------------|
| Guaranteed income fund | \$25,313,676 | Discontinuance value | Guaranteed crediting rate | 3.20% - 3.35%                     |

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

**5. Terminated  
Participants**

When participants terminate employment with the Plan sponsor, they may choose to leave their investments in the Plan, as long as their balance is greater than \$1,000. As of December 31, 2012 and 2011, there were 383 and 318 terminated participants who had not withdrawn their account balances totaling \$30,492,499 and \$21,532,495, respectively.

**6. Tax Status**

The Plan is a non-standardized prototype plan of PICA. The Plan obtained its latest opinion letter on March 31, 2008, in which the Internal Revenue Service (IRS) stated that the Plan, as designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since the last opinion letter, including an amendment to correct an operational error relating to the automatic deferral feature.

In September 2011, the Company filed a Voluntary Correction Program (VCP) submission with the IRS which further details these matters and the Company's plan for correcting them. On October 25, 2012, the IRS issued a Compliance Statement in response to the VCP submission indicating agreement with the Company's method of correction of the failures identified in the VCP.

The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Internal Revenue Code and, therefore, management has determined that no provision for income taxes is to be included in the accompanying financial statements.

Generally accepted accounting principles require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the relevant taxing authority. The tax positions taken include the Plan status as a qualified plan. Management believes that the Plan is operating in a manner that does not jeopardize its tax status. Therefore, no provision for income taxes has been included in the Plan's financial statements.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Plan is no longer subject to income tax examinations for years prior to 2009.

**7. Party-In-Interest  
Transactions**

Certain plan investments are managed by PRIAC and Prudential, the custodian and trustee of the Plan; therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for custodial and recordkeeping services, including participant note administration, were \$6,290 and \$9,897 for the years ended December 31, 2012 and 2011, respectively.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

**8. Reconciliation of  
Financial Statements  
to Schedule H of  
Form 5500**

Certain contributions receivable are recorded at different amounts on Schedule H of Form 5500, when compared to the financial statement amounts, which were prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The following is a reconciliation of net assets available for plan benefits per the financial statements as of December 31, 2012 and 2011 to Schedule H of Form 5500:

| <i>December 31</i>                                                  | <b>2012</b>           | 2011           |
|---------------------------------------------------------------------|-----------------------|----------------|
| Net assets available for plan benefits per the financial statements | <b>\$ 112,800,823</b> | \$ 103,314,512 |
| Contributions receivable from:                                      |                       |                |
| Employer                                                            | <b>(90,958)</b>       | (84,678)       |
| Participants                                                        | <b>(108,965)</b>      | (101,306)      |
| Net assets available for plan benefits per Schedule H of Form 5500  | <b>\$ 112,600,900</b> | \$ 103,128,528 |

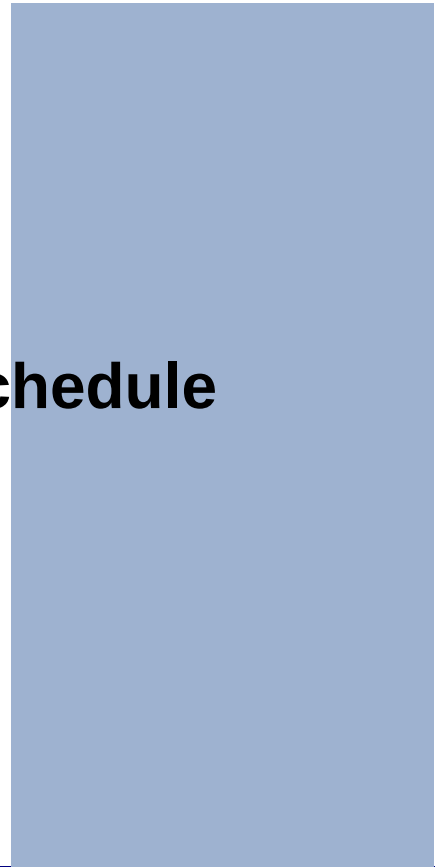
The following is a reconciliation of the net increase (decrease) per the financial statements for the years ended December 31, 2012 and 2011 to the net increase (decrease) on Schedule H of the Form 5500.

| <i>December 31</i>                                   | <b>2012</b>         | 2011            |
|------------------------------------------------------|---------------------|-----------------|
| Net increase (decrease) per the financial statements | <b>\$ 9,486,311</b> | \$ ( 3,480,750) |
| Difference in contributions receivable from:         |                     |                 |
| Employer                                             | <b>(6,280)</b>      | 71,875          |
| Participants                                         | <b>(7,659)</b>      | 8,566           |
| Net increase (decrease) per Schedule H of Form 5500  | <b>\$ 9,472,372</b> | \$ (3,400,309)  |

**9. Subsequent Events**

Subsequent events have been evaluated through October 9, 2013, which is the date financial statements were available to be issued. Management did not identify any events requiring recording or disclosure in the financial statements for the year ended December 31, 2012.

## **Supplemental Schedule**



# Ansaldo STS USA Retirement/Savings Plan

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

EIN: 25-1579001  
Plan Number: 001

December 31, 2012

| (a)                      | (b) Identity of Issue, Borrower, Lessor or Similar Party | (c) Description of Investment including maturity date, rate of interest, collateral, par, or maturity value                                                                                                                                                                                                      | (d) Number of Shares/Units | (e) Cost | (f) Current Value     |
|--------------------------|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------|-----------------------|
|                          |                                                          | Prudential Guaranteed                                                                                                                                                                                                                                                                                            |                            |          |                       |
| *                        | Guaranteed Income Fund                                   | Income Account                                                                                                                                                                                                                                                                                                   | 859,877.06                 | a        | \$ 25,313,676         |
|                          | T Rowe Price Blue Chip Growth Adv                        | Mutual Funds                                                                                                                                                                                                                                                                                                     | 430,844.39                 | a        | 19,616,345            |
|                          | RidgeWorth Large Cap Value Equity A                      | Mutual Funds                                                                                                                                                                                                                                                                                                     | 813,780.33                 | a        | 11,506,854            |
|                          | Euro Pacific Growth Fund                                 | Mutual Funds                                                                                                                                                                                                                                                                                                     | 246,298.26                 | a        | 10,152,414            |
|                          | PIMCO Total Return Bond Admin                            | Mutual Funds                                                                                                                                                                                                                                                                                                     | 837,536.20                 | a        | 9,413,907             |
|                          | Thornburg International Value R5                         | Mutual Funds                                                                                                                                                                                                                                                                                                     | 165,715.25                 | a        | 4,646,656             |
|                          | Frank US Government Sec A                                | Mutual Funds                                                                                                                                                                                                                                                                                                     | 579,186.72                 | a        | 3,938,470             |
|                          | Blackrock Small Cap Growth Equity                        | Mutual Funds                                                                                                                                                                                                                                                                                                     | 152,753.27                 | a        | 3,554,569             |
|                          | Allianz NFJ Small Cap Value Admin                        | Mutual Funds                                                                                                                                                                                                                                                                                                     | 124,113.95                 | a        | 3,522,354             |
|                          | Oakmark Equity and Income                                | Mutual Funds                                                                                                                                                                                                                                                                                                     | 119,392.83                 | a        | 3,402,696             |
|                          | Spartan 500 Index Fund                                   | Mutual Funds                                                                                                                                                                                                                                                                                                     | 58,593.47                  | a        | 2,958,384             |
|                          | Self-Directed Brokerage                                  | Self-directed Brokerage Accounts                                                                                                                                                                                                                                                                                 | 2,260,152.00               | a        | 2,260,152             |
|                          | Morgan Stanley Inst Mid Cap                              | Mutual Funds                                                                                                                                                                                                                                                                                                     | 66,371.55                  | a        | 2,216,810             |
| *                        | IFX LT Balanced Fund I                                   | Pooled Separate Account                                                                                                                                                                                                                                                                                          | 165,294.66                 | a        | 1,912,080             |
|                          | Eaton Vance Small-Mid Cap A                              | Mutual Funds                                                                                                                                                                                                                                                                                                     | 102,060.39                 | a        | 1,738,088             |
|                          | Columbia Mid Cap Value Z                                 | Mutual Funds                                                                                                                                                                                                                                                                                                     | 111,482.54                 | a        | 1,652,171             |
|                          | JPMorgan US Equity A                                     | Mutual Funds                                                                                                                                                                                                                                                                                                     | 117,591.86                 | a        | 1,318,205             |
|                          | Templeton Global Bond A                                  | Mutual Funds                                                                                                                                                                                                                                                                                                     | 45,121.41                  | a        | 603,723               |
| *                        | IFX LT Income and Equity Fund I                          | Pooled Separate Account                                                                                                                                                                                                                                                                                          | 46,963.55                  | a        | 584,193               |
|                          | Ivy Asset Strategy Y                                     | Mutual Funds                                                                                                                                                                                                                                                                                                     | 13,638.02                  | a        | 353,634               |
| *                        | IFX LT Conservative Fund I                               | Pooled Separate Account                                                                                                                                                                                                                                                                                          | 3,550.49                   | a        | 42,445                |
|                          | Participant Notes Receivable                             | Notes receivable from Plan participants. The notes have maturity dates which vary between one and fifteen years. Interest rates are prime plus 1% and are collateralized by the participants' balances in the Plan. Maturity value is principal plus accrued interest. Interest rates range from 4.25% - 10.25%. | -                          |          | 1,893,074             |
| <b>Total Assets Held</b> |                                                          |                                                                                                                                                                                                                                                                                                                  |                            |          | <b>\$ 112,600,900</b> |

\* Party in Interest

a The cost of participant directed investments is not required to be disclosed.

*See the accompanying Independent Auditors' Report.*

# **Ansaldo STS USA Retirement/Savings Plan**

**Financial Statements**  
December 31, 2012 and 2011  
**Supplemental Schedule**  
December 31, 2012

# **Ansaldo STS USA Retirement/Savings Plan**

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## **Independent Auditors' Report**

To the Participants and Plan Administrator of  
Ansaldo STS USA Retirement/Savings Plan  
Pittsburgh, Pennsylvania

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Ansaldo STS USA Retirement/Savings Plan (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 related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Retirement Insurance and Annuity Company, the custodian of the Plan, and Prudential Bank & Trust, F.S.B., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian and trustee hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained a certification from the custodian and trustee as of December 31, 2012 and 2011, and for the years then ended, that the information provided to the plan administrator by the custodian and trustee is complete and accurate.

***Disclaimer of Opinion***

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

***Other Matter***

The supplemental schedule, Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2012 is required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on this supplemental schedule.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian and trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.



October 9, 2013  
Pittsburgh, Pennsylvania

# Ansaldo STS USA Retirement/Savings Plan

## Statements of Net Assets Available for Benefits

| <i>December 31,</i>                      | <b>2012</b>           | <b>2011</b>           |
|------------------------------------------|-----------------------|-----------------------|
| <b>Assets</b>                            |                       |                       |
| <b>Investments, at fair value</b>        |                       |                       |
| Mutual funds                             | \$ 80,595,280         | \$ 71,539,930         |
| Pooled separate accounts                 | 2,538,718             | 1,829,611             |
| Guaranteed income fund                   | 25,313,676            | 24,952,559            |
| Self-directed brokerage accounts         | 2,260,152             | 2,347,285             |
| <b>Total investments</b>                 | <b>110,707,826</b>    | <b>100,669,385</b>    |
| <b>Receivables</b>                       |                       |                       |
| Employer                                 | 90,958                | 84,678                |
| Participants                             | 108,965               | 101,306               |
| Participant notes receivable             | 1,893,074             | 2,459,143             |
| <b>Total receivables</b>                 | <b>2,092,997</b>      | <b>2,645,127</b>      |
| <b>Net assets available for benefits</b> | <b>\$ 112,800,823</b> | <b>\$ 103,314,512</b> |

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

# Ansaldo STS USA Retirement/Savings Plan

## Statements of Changes in Net Assets Available for Benefits

| <i>Years ended December 31,</i>                              | <b>2012</b>           | <b>2011</b>           |
|--------------------------------------------------------------|-----------------------|-----------------------|
| <b>Additions:</b>                                            |                       |                       |
| Investment income:                                           |                       |                       |
| Net appreciation (depreciation) in fair value of investments | \$ 9,783,596          | \$ (4,035,829)        |
| Dividends and interest                                       | 1,845,220             | 1,728,645             |
| <b>Total investment income (loss)</b>                        | <b>11,628,816</b>     | <b>(2,307,184)</b>    |
| <b>Interest income on participant notes</b>                  | <b>96,541</b>         | <b>118,822</b>        |
| Contributions:                                               |                       |                       |
| Employer                                                     | 2,631,256             | 2,600,588             |
| Participants                                                 | 5,685,527             | 5,066,416             |
| <b>Total contributions</b>                                   | <b>8,316,783</b>      | <b>7,667,004</b>      |
| <b>Total additions</b>                                       | <b>20,042,140</b>     | <b>5,478,642</b>      |
| <b>Deductions:</b>                                           |                       |                       |
| Benefits paid to participants                                | 10,549,539            | 8,949,495             |
| Administrative expenses                                      | 6,290                 | 9,897                 |
| <b>Total deductions</b>                                      | <b>10,555,829</b>     | <b>8,959,392</b>      |
| <b>Net increase (decrease)</b>                               | <b>9,486,311</b>      | <b>(3,480,750)</b>    |
| <b>Net assets available for benefits, beginning of year</b>  | <b>103,314,512</b>    | <b>106,795,262</b>    |
| <b>Net assets available for benefits, end of year</b>        | <b>\$ 112,800,823</b> | <b>\$ 103,314,512</b> |

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

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description**

The following description of the Ansaldo STS USA Retirement/Savings Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement or Summary Plan Description for a more complete description of the Plan's provisions.

#### ***General***

The Plan is a defined contribution retirement plan covering substantially all employees of Ansaldo STS USA, Inc. (the Company) who become eligible to participate upon their date of hire. The Company is a wholly-owned subsidiary of Ansaldo STS S.p.A. (ASTS), an Italian corporation. As of December 31, 2012 and 2011, ASTS is a forty percent owned subsidiary of Finmeccanica S.p.A. a major Italian industrial company. The Plan is sponsored and administered by the Company and is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Prudential Bank & Trust, FSB (Prudential) is the trustee of the Plan and holds the Plan's mutual fund investments, self-directed brokerage accounts and participant notes receivable. The Plan was amended and restated to adopt the prototype defined contribution plan sponsored by Prudential Insurance Company of America (PICA), along with appointing Prudential Retirement Insurance and Annuity Company (PRIAC) as the new third-party administrator and custodian for specific investments of the Plan.

The custodian holds the Plan's pooled separate accounts and guaranteed income fund and is responsible for executing investment transactions and making distributions to participants according to the Plan's provisions. PRIAC also provides recordkeeping and reporting services for the Plan. Certain expenses incurred by the Plan, including fees and expenses of the recordkeeper for participant note administration and other administrative costs, are paid directly by the Plan.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description (cont.)**

#### ***Contributions***

Participants may elect to contribute to the Plan based on a percentage of their annual compensation. A participant may defer from 1% and not more than 75% of eligible compensation. The elective deferrals are subject to the maximum dollar amount under the Internal Revenue Code (IRC). In addition, a participant may also “opt-in” to elect to have an automatic 1% annual deferral escalation feature apply that is limited to a maximum of 12% of eligible compensation.

Participants may direct the investment of their contributions into various investment options offered by the Plan. The Plan also permits catch-up contributions, Roth elective deferrals and rollover contributions from other qualified plans.

The Company makes three types of contributions to the Plan: 1) basic contributions of 2% of the participant’s annual compensation; 2) matching contributions equal to 100% of the first \$250 contributed by the participant and 50% of the remaining participant contributions, up to 6% of the participant’s annual compensation; and 3) contributions at the discretion of the Company. There were no discretionary contributions in 2012 and 2011.

#### ***Investment Options***

Contributions to the Plan are invested, at the direction of the participants, in a variety of investment options (Note 3). Participants determine the amount to be invested and may make changes in their investment elections at any time.

#### ***Participant Accounts***

The plan administrator maintains separate participant accounts for each participant. Each participant’s account is credited with their voluntary contribution and with an allocation of the Company’s contributions and plan earnings and expenses (Note 7). Allocations of the Company’s contributions are based on employee contributions or compensation, as applicable. Allocations of plan earnings and expenses are based on the investment income (loss) of the elected investment funds. The benefit to which a participant is entitled is the benefit that can be provided from his or her vested account.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description (cont.)**

#### ***Vesting***

Participants are immediately vested in their voluntary and rollover contributions and actual earnings thereon. Vesting in the employer contribution portion of their accounts plus earnings thereon is based on years of continuous service. Participants vest 25% per year beginning after 2 years of service and are 100% vested after 5 years of service.

#### ***Forfeitures***

The unvested portion of the account balance of a participant who leaves the Company is forfeited. If the participant is re-employed by the Company within a five-year period and repays the full amount of his or her distribution, the amount forfeited is reinstated and the participant continues normal vesting. Forfeited nonvested amounts may be used to reduce employer contributions to the Plan. Forfeitures reduced employer contributions by approximately \$133,000 and \$126,000 in 2012 and 2011, respectively. The balance remaining in the forfeiture account at December 31, 2012 and 2011 was approximately \$199,000 and \$30,000 respectively.

#### ***Benefits***

Terminated or retired plan participants with vested account balances of less than \$1,000 automatically receive a lump-sum distribution. Terminated or retired plan participants with vested account balances equal to or greater than the applicable automatic distribution amount may elect to receive either a lump-sum benefit payment equal to the value of their account or annual benefit payment installments. During active employment, participants may withdraw their contributions for financial hardship upon approval by the Retirement Committee. Participants who are at least 59½ years old may also make in-service withdrawals of all contributions in their account.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **1. Plan Description (cont.)**

#### ***Participant Notes Receivable***

Participants may borrow from their fund accounts up to a maximum equal to the lesser of \$50,000 or one-half of their vested account balance, reduced by the participants' highest outstanding note balance during the prior 12 months. The minimum amount that participants may borrow is \$1,000. Note repayment terms may not exceed 60 months unless the note is granted for the purpose of acquiring the principal residence of the participant. In that case, repayment is required over a reasonable period of time, not to exceed 180 months. Interest on notes is charged at a commercially acceptable rate as published by the custodian on a monthly basis. Interest rates range from 4.25% to 10.25%. Participant notes are valued at their outstanding balances, which approximate fair value.

#### ***Plan Expenses***

Certain administrative expenses of the Plan are paid directly by the Company. To the extent the Company does not pay Plan expenses, the Plan generally will pay the expenses of Plan administration and will assess the expenses paid against the accounts of all participants in the Plan. The Plan will assess against an individual participant's account the applicable fees which are attributable to a particular participant based on the use of a selected Plan feature.

In addition, the Company entered into an Administrative Services Agreement (the Agreement) with PRIAC. This agreement includes a revenue-sharing arrangement whereby PRIAC shares revenue generated by the Plan in excess of their fee. Deposits relating to the revenue-sharing arrangement are invested in the guaranteed income fund, and are used to pay other Plan expenses with any remaining amounts reallocated to participants.

#### ***Plan Termination***

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination or partial termination, participants become 100% vested in their accounts.

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

### **2. Summary of Significant Accounting Policies**

#### ***Basis of Accounting***

The accompanying financial statements of the Plan are prepared on the accrual basis of accounting generally accepted in the United States of America.

#### ***New Accounting Standard***

In May 2011, the Financial Accounting Standards Board issued ASU 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs (ASU 2011-04). ASU 2011-04 amended Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, to provide a consistent definition of fair value and improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRSs. Some of the amendments clarify the application of existing fair value measurement and disclosure requirements, while other amendments change a particular principle or requirement for measuring fair value or disclosing information about fair value measurements. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Adoption of the standard did not result in a material impact to the Plan financial statements as of or for the year ended December 31, 2012.

#### ***Investment Valuation and Income Recognition***

The investments of the Plan are stated at fair value. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Purchases and sales of the investments within the Plan are reflected on a trade-date basis. Dividend income is recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Changes in the fair value of investments between years are included in net appreciation in fair value of investments in the statements of changes in net assets available for benefits.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 2. Summary of Significant Accounting Policies (cont.)

ASC 962, *Plan Accounting Defined Contribution Pension Plans*, requires investment contracts that are held by a defined-contribution plan to be reported at fair value. This applies even when the contracts are not held directly by the Plan but are underlying assets in common collective trust investments held by the Plan. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Plan invests in investment contracts through the Guaranteed Income Fund. The Statement of Net Assets Available for Benefits would normally present the fair value of the investment contract as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. However, the fair value of such investment equals contract value. The Statement of Changes in Net Assets Available for Benefits is prepared on a contract value basis.

#### ***Payment of Benefits***

Benefits to participants are recorded when paid.

#### ***Use of Estimates***

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

#### ***Risks and Uncertainties***

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

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

**2. Summary of  
Significant  
Accounting Policies  
(cont.)**

***Related Party Transactions***

Plan investments consist of shares of mutual funds and self-directed brokerage accounts, which are held by Prudential, the trustee, and pooled separate accounts and a guaranteed interest account, which are held by PRIAC, the custodian of the Plan.

**3. Investments Certified  
by the Plan's  
Custodian and  
Trustee**

The assets of the Plan are managed in accordance with a custodial agreement with Prudential. The Plan's participants direct all investments, including investments into self-directed brokerage accounts. The self-directed brokerage account invests in a variety of investments including corporate stock-common, mutual funds, interest bearing cash, partnership/joint venture interests, and corporate debt instruments.

There are no non-participant directed investments as of December 31, 2012 and 2011.

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the custodian and trustee have certified that the following data included in the accompanying financial statements and supplemental schedule is complete and accurate. Investments that represent five percent (5%) or more of the Plan's net assets are separately identified with an asterisk (\*) in the following table:

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

| 3. Investments Certified<br>by the Plan's<br>Custodian and<br>Trustee (cont.) | <i>December 31</i>                      | 2012                  | 2011                  |
|-------------------------------------------------------------------------------|-----------------------------------------|-----------------------|-----------------------|
|                                                                               | <b><i>Mutual Funds</i></b>              |                       |                       |
|                                                                               | T Rowe Price Blue Chip Growth Adv       | \$ 19,616,345*        | \$ 17,610,809*        |
|                                                                               | RidgeWorth Large Cap Value Equity A     | 11,506,854*           | 10,260,661*           |
|                                                                               | Euro Pacific Growth Fund                | 10,152,414*           | 9,072,228*            |
|                                                                               | PIMCO Total Return Bond Admin           | 9,413,907*            | 7,917,788*            |
|                                                                               | Oakmark Equity and Income               | 3,402,696             | 3,936,211             |
|                                                                               | Thornburg International Value R5        | 4,646,656             | 3,814,326             |
|                                                                               | Allianz NFJ Small Cap Value Admin       | 3,522,354             | 3,307,402             |
|                                                                               | Blackrock Small Cap Growth Equity       | 3,554,569             | 3,287,195             |
|                                                                               | Frank US Government Sec A               | 3,938,470             | 3,270,523             |
|                                                                               | Spartan 500 Index Fund                  | 2,958,384             | 2,964,369             |
|                                                                               | Morgan Stanley Inst Mid Cap             | 2,216,810             | 1,916,829             |
|                                                                               | Eaton Vance Small-Mid Cap A             | 1,738,088             | 1,567,699             |
|                                                                               | Columbia Mid Cap Value Z                | 1,652,171             | 1,349,670             |
|                                                                               | JPMorgan US Equity A                    | 1,318,205             | 1,243,998             |
|                                                                               | Ivy Asset Strategy Y                    | 353,634               | 19,441                |
|                                                                               | Templeton Global Bond A                 | 603,723               | 781                   |
|                                                                               | <b>Total mutual funds</b>               | <b>80,595,280</b>     | <b>71,539,930</b>     |
|                                                                               | <b><i>Pooled Separate Accounts</i></b>  |                       |                       |
|                                                                               | IFX LT Balanced Fund I                  | 1,912,080             | 1,275,515             |
|                                                                               | IFX LT Income & Equity Fund I           | 584,193               | 517,572               |
|                                                                               | IFX LT Conservative Fund I              | 42,445                | 36,524                |
|                                                                               | <b>Total pooled separate accounts</b>   | <b>2,538,718</b>      | <b>1,829,611</b>      |
|                                                                               | Guaranteed Income Fund                  | 25,313,676*           | 24,952,559*           |
|                                                                               | Self-Directed Brokerage Accounts        | 2,260,152             | 2,347,285             |
|                                                                               | <b>Total investments, at fair value</b> | <b>\$ 110,707,826</b> | <b>\$ 100,669,385</b> |
|                                                                               | <b>Participant notes receivable</b>     | <b>\$ 1,893,074</b>   | <b>\$ 2,459,143</b>   |

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

| 3. Investments Certified by the Plan's Custodian and Trustee (cont.) | <i>December 31</i>                   | 2012                | 2011                |
|----------------------------------------------------------------------|--------------------------------------|---------------------|---------------------|
|                                                                      | <b>Dividend and interest income:</b> |                     |                     |
|                                                                      | Dividend income                      | \$ 1,030,851        | \$ 890,162          |
|                                                                      | Interest income                      | 814,369             | 838,483             |
|                                                                      | Interest income on participant notes | 96,541              | 118,822             |
|                                                                      | <b>Total</b>                         | <b>\$ 1,941,761</b> | <b>\$ 1,847,467</b> |

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

| <i>Years Ended December 31</i>                                      | 2012                | 2011                  |
|---------------------------------------------------------------------|---------------------|-----------------------|
| Mutual Funds                                                        | \$ 9,429,938        | \$ (3,930,072)        |
| Pooled separate accounts                                            | 229,028             | 11,736                |
| Self-directed brokerage accounts                                    | 124,630             | (117,493)             |
| <b>Net appreciation (depreciation) in fair value of investments</b> | <b>\$ 9,783,596</b> | <b>\$ (4,035,829)</b> |

The Plan's independent public accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

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

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 4. Fair Value Measurements (cont.)

#### *Basis of Fair Value Measurement*

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 – Quoted prices of securities in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly,

Level 3 – Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Valuation methodologies maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies used at December 31, 2012 and 2011.

#### *Mutual Funds and Self-Directed Brokerage Accounts*

Mutual funds represent investments with various investment managers. The fair value of these investments are determined by reference to the fund's underlying assets, which are principally marketable equity and fixed income securities. Shares held in mutual funds and the self-directed brokerage accounts traded on national securities exchanges are valued at the net asset value and/or prices per share as of December 31, 2012 and 2011.

There are no trading restrictions on the funds as of December 31, 2012 or 2011.

#### *Pooled Separate Accounts*

Pooled separate accounts represent investments with various investment managers. Units held in the accounts are valued at their net unit value which is based upon the value of the underlying securities at year end as determined by the custodian as of December 31, 2012 and 2011.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 4. Fair Value Measurements (cont.)

#### *Guaranteed Income Fund*

The Plan has a guaranteed income account with PRIAC which is considered to be fully benefit responsive. PRIAC maintains the participant contributions in a general account. This account is credited with earnings on the underlying investments and charged for participant withdrawals and administrative expenses. The guaranteed income account is obligated to repay the principal and interest and a specified interest rate that is guaranteed to the Plan.

Participants may direct withdrawal or transfers of all or a portion of their account balance at contract value within reasonable time frames.

The crediting interest rate is based on a formula agreed upon with the issuer. The rate averaged 3.2% and 3.7% respectively at December 31, 2012 and 2011 for the account. The crediting interest rate is reset on a monthly basis, as a result, the fair value equals the contract value for the guaranteed income fund at December 31, 2012 and 2011, which is \$25,313,676 and \$24,952,559, respectively.

The following table sets forth by level within the fair value hierarchy the Plan investment assets and investment liabilities at fair value, as of December 31, 2012 and 2011. As required by ASC 820, assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Fund had no material financial liabilities as of December 31, 2012 and 2011.

Total Plan investment assets at fair value classified within level 3 were \$25,313,676 and \$24,952,559 as of December 31, 2012 and 2011, which consists of the Plan's guaranteed income account holdings. Such amounts were 23% and 25% of "Total investments" on the Plan's statements of net assets available for benefits at fair value as of December 31, 2012 and 2011, respectively. The assets held in the guaranteed income account were valued at the discontinuance value of the account. The discontinuance value is the estimated amount that would have been available if the Plan had terminated its participation in the guaranteed income account as of the valuation date.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

December 31, 2012 and 2011

### 4. Fair Value Measurements (cont.)

|                                 |               | Investment Assets at Fair Value<br>as of December 31, 2012 |               |         |                |
|---------------------------------|---------------|------------------------------------------------------------|---------------|---------|----------------|
|                                 |               | Level 1                                                    | Level 2       | Level 3 | Total          |
| Mutual funds                    |               |                                                            |               |         |                |
| Growth                          | \$ 28,797,651 | \$ -                                                       | \$ -          | \$ -    | \$ 28,797,651  |
| Blend                           | 22,812,321    | -                                                          | -             | -       | 22,812,321     |
| Value                           | 15,029,208    | -                                                          | -             | -       | 15,029,208     |
| Bond                            | 13,956,100    | -                                                          | -             | -       | 13,956,100     |
| Self-directed brokerage         |               |                                                            |               |         |                |
| Corporate stock – common        | 1,619,708     | -                                                          | -             | -       | 1,619,708      |
| Mutual funds                    |               |                                                            |               |         |                |
| Growth                          | 203,056       | -                                                          | -             | -       | 203,056        |
| Blend                           | 108,225       | -                                                          | -             | -       | 108,225        |
| Bond                            | 38,826        | -                                                          | -             | -       | 38,826         |
| Commodities                     | 9,936         | -                                                          | -             | -       | 9,936          |
| Interest bearing cash           | 219,101       | -                                                          | -             | -       | 219,101        |
| Other                           | 61,300        | -                                                          | -             | -       | 61,300         |
| Pooled separate accounts        |               |                                                            |               |         |                |
| Retirement Income               | -             | 2,538,718                                                  | -             | -       | 2,538,718      |
| Guaranteed income               | -             | -                                                          | 25,313,676    | -       | 25,313,676     |
| Total investments at fair value | \$ 82,855,432 | \$ 2,538,718                                               | \$ 25,313,676 | \$ -    | \$ 110,707,826 |

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

### 4. Fair Value Measurements (cont.)

|                                 |               | Investment Assets at Fair Value<br>as of December 31, 2011 |               |         |                |
|---------------------------------|---------------|------------------------------------------------------------|---------------|---------|----------------|
|                                 |               | Level 1                                                    | Level 2       | Level 3 | Total          |
| Mutual funds                    |               |                                                            |               |         |                |
| Growth                          | \$ 24,401,973 | \$ -                                                       | \$ -          | \$ -    | \$ 24,401,973  |
| Blend                           | 22,380,802    | -                                                          | -             | -       | 22,380,802     |
| Value                           | 13,568,063    | -                                                          | -             | -       | 13,568,063     |
| Bond                            | 11,189,092    | -                                                          | -             | -       | 11,189,092     |
| Self-directed brokerage         |               |                                                            |               |         |                |
| Corporate stock – common        | 1,352,459     | -                                                          | -             | -       | 1,352,459      |
| Mutual funds                    |               |                                                            |               |         |                |
| Bond                            | 336,912       | -                                                          | -             | -       | 336,912        |
| Blend                           | 113,569       | -                                                          | -             | -       | 113,569        |
| Growth                          | 132,166       | -                                                          | -             | -       | 132,166        |
| Commodities                     | 9,434         | -                                                          | -             | -       | 9,434          |
| Interest bearing cash           | 374,626       | -                                                          | -             | -       | 374,626        |
| Other                           | 28,119        | -                                                          | -             | -       | 28,119         |
| Pooled separate accounts        |               |                                                            |               |         |                |
| Retirement Income               | -             | 1,829,611                                                  | -             | -       | 1,829,611      |
| Guaranteed income               | -             | -                                                          | 24,952,559    | -       | 24,952,559     |
| Total investments at fair value | \$ 2,347,285  | \$ 1,829,611                                               | \$ 24,952,559 | \$ -    | \$ 100,669,385 |

The investment strategy for the investment that uses the Net Asset Value practical expedient under ASU 2009-12, *Investments in Certain Entities That Calculate Net Asset per Share (or Its Equivalent)*, is as follows:

*Pooled Separate Accounts:* to provide safety of principal using the fundamentals of asset allocation with a moderate investing style. There is no assurance the objective will be met.

Participants have no restrictions or redemption period requirements. There are no unfunded commitments relating to the pooled separate accounts.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

4. **Fair Value Measurements (cont.)** The tables below set forth a summary of changes in the fair value of the Plan's level 3 investment assets for the years ended December 31, 2012 and 2011:

|                               | <b>Level 3 Investment Assets</b> |                      |
|-------------------------------|----------------------------------|----------------------|
|                               | <b>Guaranteed Income</b>         |                      |
|                               | <b>2012</b>                      | <b>2011</b>          |
| Balance, beginning of year    | \$ 24,952,559                    | \$ 22,184,745        |
| Purchases                     | 1,401,035                        | 1,319,560            |
| Interest credited             | 814,369                          | 838,483              |
| Transfers in                  | 4,301,983                        | 7,629,335            |
| Settlements                   | (3,877,028)                      | (3,258,517)          |
| Transfers to separate account | (16)                             | (10,566)             |
| Transfers out                 | (2,279,226)                      | (3,750,481)          |
| Balance, end of year          | <b>\$ 25,313,676</b>             | <b>\$ 24,952,559</b> |

Purchases for the years ended December 31, 2012 and 2011 include revenue-sharing deposits from the custodian and trustee of \$123,380 and \$137,296, respectively. Transfers out for the years ended December 31, 2012 and 2011 include assets sold to pay direct fees of \$123,380 and \$137,296.

At December 31, 2012 and 2011, approximately \$6,000 and \$208,000, respectively, was invested in the guaranteed income fund and was available to pay Plan expenses or to be remitted to Plan participants on a pro-rata basis. For the years ended December 31, 2012 and 2011, \$0 and \$196,000 was reallocated to Plan participants, respectively.

The following table sets forth the valuation techniques used to measure the fair value of the guaranteed income fund and the significant unobservable inputs and the ranges of values for those inputs as of and for the year ended December 31, 2012.

| Type                   | Fair Value   | Valuation Technique  | Unobservable Inputs       | Range of Significant Input Values |
|------------------------|--------------|----------------------|---------------------------|-----------------------------------|
| Guaranteed income fund | \$25,313,676 | Discontinuance value | Guaranteed crediting rate | 3.20% - 3.35%                     |

# **Ansaldo STS USA Retirement/Savings Plan**

## **Notes to Financial Statements**

**December 31, 2012 and 2011**

**5. Terminated  
Participants**

When participants terminate employment with the Plan sponsor, they may choose to leave their investments in the Plan, as long as their balance is greater than \$1,000. As of December 31, 2012 and 2011, there were 383 and 318 terminated participants who had not withdrawn their account balances totaling \$30,492,499 and \$21,532,495, respectively.

**6. Tax Status**

The Plan is a non-standardized prototype plan of PICA. The Plan obtained its latest opinion letter on March 31, 2008, in which the Internal Revenue Service (IRS) stated that the Plan, as designed, was in compliance with the applicable requirements of the IRC. The Plan has been amended since the last opinion letter, including an amendment to correct an operational error relating to the automatic deferral feature.

In September 2011, the Company filed a Voluntary Correction Program (VCP) submission with the IRS which further details these matters and the Company's plan for correcting them. On October 25, 2012, the IRS issued a Compliance Statement in response to the VCP submission indicating agreement with the Company's method of correction of the failures identified in the VCP.

The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the Internal Revenue Code and, therefore, management has determined that no provision for income taxes is to be included in the accompanying financial statements.

Generally accepted accounting principles require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the relevant taxing authority. The tax positions taken include the Plan status as a qualified plan. Management believes that the Plan is operating in a manner that does not jeopardize its tax status. Therefore, no provision for income taxes has been included in the Plan's financial statements.

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Plan is no longer subject to income tax examinations for years prior to 2009.

**7. Party-In-Interest  
Transactions**

Certain plan investments are managed by PRIAC and Prudential, the custodian and trustee of the Plan; therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for custodial and recordkeeping services, including participant note administration, were \$6,290 and \$9,897 for the years ended December 31, 2012 and 2011, respectively.

# Ansaldo STS USA Retirement/Savings Plan

## Notes to Financial Statements

**December 31, 2012 and 2011**

**8. Reconciliation of  
Financial Statements  
to Schedule H of  
Form 5500**

Certain contributions receivable are recorded at different amounts on Schedule H of Form 5500, when compared to the financial statement amounts, which were prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The following is a reconciliation of net assets available for plan benefits per the financial statements as of December 31, 2012 and 2011 to Schedule H of Form 5500:

| <i>December 31</i>                                                  | <b>2012</b>           | 2011           |
|---------------------------------------------------------------------|-----------------------|----------------|
| Net assets available for plan benefits per the financial statements | <b>\$ 112,800,823</b> | \$ 103,314,512 |
| Contributions receivable from:                                      |                       |                |
| Employer                                                            | <b>(90,958)</b>       | (84,678)       |
| Participants                                                        | <b>(108,965)</b>      | (101,306)      |
| Net assets available for plan benefits per Schedule H of Form 5500  | <b>\$ 112,600,900</b> | \$ 103,128,528 |

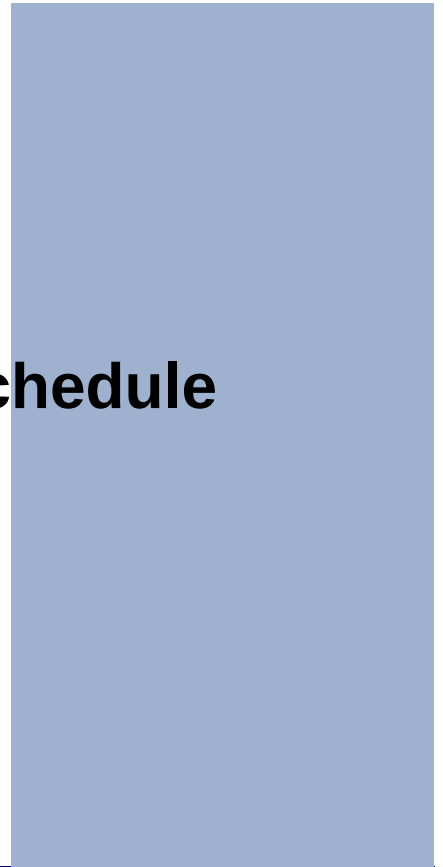
The following is a reconciliation of the net increase (decrease) per the financial statements for the years ended December 31, 2012 and 2011 to the net increase (decrease) on Schedule H of the Form 5500.

| <i>December 31</i>                                   | <b>2012</b>         | 2011            |
|------------------------------------------------------|---------------------|-----------------|
| Net increase (decrease) per the financial statements | <b>\$ 9,486,311</b> | \$ ( 3,480,750) |
| Difference in contributions receivable from:         |                     |                 |
| Employer                                             | <b>(6,280)</b>      | 71,875          |
| Participants                                         | <b>(7,659)</b>      | 8,566           |
| Net increase (decrease) per Schedule H of Form 5500  | <b>\$ 9,472,372</b> | \$ (3,400,309)  |

**9. Subsequent Events**

Subsequent events have been evaluated through October 9, 2013, which is the date financial statements were available to be issued. Management did not identify any events requiring recording or disclosure in the financial statements for the year ended December 31, 2012.

## Supplemental Schedule



# Ansaldo STS USA Retirement/Savings Plan

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

EIN: 25-1579001  
Plan Number: 001

December 31, 2012

| (a)                      | (b) Identity of Issue, Borrower, Lessor or Similar Party | (c) Description of Investment including maturity date, rate of interest, collateral, par, or maturity value                                                                                                                                                                                                      | (d) Number of Shares/Units | (e) Cost | (f) Current Value     |
|--------------------------|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------|-----------------------|
|                          |                                                          | Prudential Guaranteed                                                                                                                                                                                                                                                                                            |                            |          |                       |
| *                        | Guaranteed Income Fund                                   | Income Account                                                                                                                                                                                                                                                                                                   | 859,877.06                 | a        | \$ 25,313,676         |
|                          | T Rowe Price Blue Chip Growth Adv                        | Mutual Funds                                                                                                                                                                                                                                                                                                     | 430,844.39                 | a        | 19,616,345            |
|                          | RidgeWorth Large Cap Value Equity A                      | Mutual Funds                                                                                                                                                                                                                                                                                                     | 813,780.33                 | a        | 11,506,854            |
|                          | Euro Pacific Growth Fund                                 | Mutual Funds                                                                                                                                                                                                                                                                                                     | 246,298.26                 | a        | 10,152,414            |
|                          | PIMCO Total Return Bond Admin                            | Mutual Funds                                                                                                                                                                                                                                                                                                     | 837,536.20                 | a        | 9,413,907             |
|                          | Thornburg International Value R5                         | Mutual Funds                                                                                                                                                                                                                                                                                                     | 165,715.25                 | a        | 4,646,656             |
|                          | Frank US Government Sec A                                | Mutual Funds                                                                                                                                                                                                                                                                                                     | 579,186.72                 | a        | 3,938,470             |
|                          | Blackrock Small Cap Growth Equity                        | Mutual Funds                                                                                                                                                                                                                                                                                                     | 152,753.27                 | a        | 3,554,569             |
|                          | Allianz NFJ Small Cap Value Admin                        | Mutual Funds                                                                                                                                                                                                                                                                                                     | 124,113.95                 | a        | 3,522,354             |
|                          | Oakmark Equity and Income                                | Mutual Funds                                                                                                                                                                                                                                                                                                     | 119,392.83                 | a        | 3,402,696             |
|                          | Spartan 500 Index Fund                                   | Mutual Funds                                                                                                                                                                                                                                                                                                     | 58,593.47                  | a        | 2,958,384             |
|                          | Self-Directed Brokerage                                  | Self-directed Brokerage Accounts                                                                                                                                                                                                                                                                                 | 2,260,152.00               | a        | 2,260,152             |
|                          | Morgan Stanley Inst Mid Cap                              | Mutual Funds                                                                                                                                                                                                                                                                                                     | 66,371.55                  | a        | 2,216,810             |
| *                        | IFX LT Balanced Fund I                                   | Pooled Separate Account                                                                                                                                                                                                                                                                                          | 165,294.66                 | a        | 1,912,080             |
|                          | Eaton Vance Small-Mid Cap A                              | Mutual Funds                                                                                                                                                                                                                                                                                                     | 102,060.39                 | a        | 1,738,088             |
|                          | Columbia Mid Cap Value Z                                 | Mutual Funds                                                                                                                                                                                                                                                                                                     | 111,482.54                 | a        | 1,652,171             |
|                          | JPMorgan US Equity A                                     | Mutual Funds                                                                                                                                                                                                                                                                                                     | 117,591.86                 | a        | 1,318,205             |
|                          | Templeton Global Bond A                                  | Mutual Funds                                                                                                                                                                                                                                                                                                     | 45,121.41                  | a        | 603,723               |
| *                        | IFX LT Income and Equity Fund I                          | Pooled Separate Account                                                                                                                                                                                                                                                                                          | 46,963.55                  | a        | 584,193               |
|                          | Ivy Asset Strategy Y                                     | Mutual Funds                                                                                                                                                                                                                                                                                                     | 13,638.02                  | a        | 353,634               |
| *                        | IFX LT Conservative Fund I                               | Pooled Separate Account                                                                                                                                                                                                                                                                                          | 3,550.49                   | a        | 42,445                |
|                          | Participant Notes Receivable                             | Notes receivable from Plan participants. The notes have maturity dates which vary between one and fifteen years. Interest rates are prime plus 1% and are collateralized by the participants' balances in the Plan. Maturity value is principal plus accrued interest. Interest rates range from 4.25% - 10.25%. | -                          |          | 1,893,074             |
| <b>Total Assets Held</b> |                                                          |                                                                                                                                                                                                                                                                                                                  |                            |          | <b>\$ 112,600,900</b> |

\* Party in Interest

a The cost of participant directed investments is not required to be disclosed.

*See the accompanying Independent Auditors' Report.*