

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2012
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☒ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>TELCORDIA TECHNOLOGIES PENSION PLAN</u>	1b Three-digit plan number (PN) ▶ <u>002</u> 1c Effective date of plan <u>01/01/1984</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>TELCORDIA TECHNOLOGIES, INC.</u> <u>6300 LEGACY DRIVE</u> <u>PLANO, TX 75024</u>	2b Employer Identification Number (EIN) <u>22-2478398</u> 2c Sponsor's telephone number <u>866-374-2272</u> 2d Business code (see instructions) <u>517000</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2013	PAUL MIESSE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 10547
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	0
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	0
d Subtotal. Add lines 6a , 6b , and 6c	6d	0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	29
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1C 1G 3H		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

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

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

A Name of plan <u>TELCORDIA TECHNOLOGIES PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>TELCORDIA TECHNOLOGIES, INC.</u>	D Employer Identification Number (EIN) <u>22-2478398</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2012</u>	
2 Assets:	
a Market value	2a <u>1964894094</u>
b Actuarial value	2b <u>1889580250</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>3501</u> <u>1027101060</u>
b For terminated vested participants.....	3b <u>4821</u> <u>297417081</u>
c For active participants:	
(1) Non-vested benefits.....	3c(1) <u>71922978</u>
(2) Vested benefits.....	3c(2) <u>333195841</u>
(3) Total active	3c(3) <u>2100</u> <u>405118819</u>
d Total	3d <u>10422</u> <u>1729636960</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)	☐
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>5.23 %</u>
6 Target normal cost.....	6 <u>21855983</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>09/16/2013</u>
Signature of actuary		Date
<u>BRYAN K. POULOS</u>		<u>11-04227</u>
Type or print name of actuary		Most recent enrollment number
<u>TOWERS WATSON DELEWARE INC.</u>		<u>214-530-4200</u>
Firm name		Telephone number (including area code)
<u>500 N. AKARD STREET, SUITE 4100</u> <u>DALLAS, TX 75201</u>		
Address of the firm		

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

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

Schedule SB (Form 5500) 2012
v. 120126

Part II Beginning of Year Carryover Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	3192484	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	3192484	0
10	Interest on line 9 using prior year's actual return of 9.59%	306159	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b Interest on (a) using prior year's effective interest rate of 5.83% except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	3498643	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	109.04 %
15	Adjusted funding target attainment percentage	15	109.24 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	110.74 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
		(4) 4th

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

21 Discount rate:				
a Segment rates:	1st segment: 1.98%	2nd segment: 5.07%	3rd segment: 6.19 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 60
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	21855983	
b Excess assets, if applicable, but not greater than line 31a	31b	21855983	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	0	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years.....	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2012
		This Form is Open to Public Inspection.

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

A Name of plan <u>TELCORDIA TECHNOLOGIES PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>TELCORDIA TECHNOLOGIES, INC.</u>	D Employer Identification Number (EIN) <u>22-2478398</u>

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

CONVERGEX GROUP 1633 BROADWAY
48TH FLOOR
NEW YORK, NY 10019

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

LAZARD ASSET MANAGEMENT LLC 30 ROCKEFELLER PLAZA
57TH FLOOR
NEW YORK, NY 10112-6300

(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)

PIMCO

33-0629048

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	1206500	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

GOLDMAN SACHS ASSET MANAGEMENT, LP

13-3575636

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	1143050	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

XEROX HR SOLUTIONS LLC

04-3609848

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
17 50	NONE	970979	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

JENNISON ASSOCIATES LLC

52-2069785

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	771342	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

JP MORGAN INVESTMENT MANAGEMENT INC

13-3200244

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	659559	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

MFS INSTITUTIONAL ADVISORS, INC.

04-3247425

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	500261	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

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

WILLIAM BLAIR & COMPANY, L.L.C.

222 WEST ADAMS STREET
CHICAGO, IL 60606

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	470831	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

LORD, ABBETT & CO. LLC

90 HUDSON STREET
JERSEY CITY, NJ 07302-3973

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	463181	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

THE BANK OF NEW YORK MELLON

500 GRANT STREET, BNY MELLON CENTER
ROOM 625
PITTSBURGH, PA 15258

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
18 21 50	NONE	371560	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

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

MORGAN STANLEY

13-3040307

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	367523	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MARSICO CAPITAL MANAGEMENT, LLC

1200 17TH STREET
SUITE 1600
DENVER, CO 80202-5824

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	318633	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

TEMPLETON

59-1961621

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	269800	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

HEWITT ENNISKNUPP, INC.

36-2235791

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 17 50	NONE	216028	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CALLAN ASSOCIATES

94-2192581

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
17 50	NONE	156600	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CROWE HORWATH LLP

35-0921680

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	30450	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

LOWENSTEIN SANDLER

22-2205010

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29 50	NONE	12636	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

a Name: HEWITT ASSOCIATES LLC SUSAN FLYNN	b EIN: 36-2235791
c Position: ACTUARY	
d Address: 400 ATRIUM DRIVE SOMERSET, NJ 08873	e Telephone: 732-302-2116

Explanation: TELCORDIA TECHNOLOGIES, INC. WAS AQUIED BY ERICSSON INC.

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>TELCORDIA TECHNOLOGIES PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>TELCORDIA TECHNOLOGIES, INC.</u>	D Employer Identification Number (EIN) <u>22-2478398</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>JMB GROUP TRUST V</u>			
b Name of sponsor of entity listed in (a): <u>HEITMAN CAPITAL MANAGEMENT</u>			
c EIN-PN <u>36-6823525-010</u>	d Entity code <u>E</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>EB TEMPORARY INVESTMENT FD II</u>			
b Name of sponsor of entity listed in (a): <u>BOSTON SAFE DEPOSIT AND TRUST COMPANY</u>			
c EIN-PN <u>04-6388516-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>STRATEGIC PROPERTY FUND</u>			
b Name of sponsor of entity listed in (a): <u>JP MORGAN CHASE</u>			
c EIN-PN <u>13-6038770-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>GSCT - EMERGING MARKET</u>			
b Name of sponsor of entity listed in (a): <u>GOLDMAN SACHS</u>			
c EIN-PN <u>13-4166989-021</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LAZARD EMERGING MARKETS EQUITY COLL</u>			
b Name of sponsor of entity listed in (a): <u>LAZARD</u>			
c EIN-PN <u>04-3478313-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>JPMCB LIQUIDITY FUND</u>			
b Name of sponsor of entity listed in (a): <u>JP MORGAN CHASE BANK, NA</u>			
c EIN-PN <u>13-6285055-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INTERNATIONAL EQUITY TRUST</u>			
b Name of sponsor of entity listed in (a): <u>MORGAN STANLEY INVESTMENT MANAGEMENT</u>			
c EIN-PN <u>13-0057834-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 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 TELCORDIA TECHNOLOGIES PENSION PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 TELCORDIA TECHNOLOGIES, INC.		D Employer Identification Number (EIN) 22-2478398

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	86707968	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	5719575	0
(2) U.S. Government securities.....	1c(2)	120726040	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	535311999	0
(B) All other.....	1c(3)(B)	358158476	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	686366	0
(B) Common	1c(4)(B)	371163593	0
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)	206235785	0
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)	8920	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	120003764	0
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	270901109	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	2075623595	0

Liabilities

g Benefit claims payable	1g	7000000	0
h Operating payables	1h	112192501	0
i Acquisition indebtedness	1i		
j Other liabilities	1j	2775094	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	121967595	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1953656000	0
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	2021	
(B) U.S. Government securities	2b(1)(B)	4919539	
(C) Corporate debt instruments	2b(1)(C)	47526873	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	15886834	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		68335267
(2) Dividends: (A) Preferred stock	2b(2)(A)	261924	
(B) Common stock	2b(2)(B)	9554514	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	4145562	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		13962000
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	1691751424	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	1638772715	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		52978709
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	108192542	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		108192542

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		27759070
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		14816464
c Other income.....	2c		562648
d Total income. Add all income amounts in column (b) and enter total.....	2d		286606700

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	97221868	
(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)		97221868
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	1758253	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	6170680	
(4) Other	2i(4)	553904	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		8482837
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		105704705

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		180901995
l Transfers of assets:			
(1) To this plan.....	2l(1)		8593000
(2) From this plan	2l(2)		2143150995

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: CROWE HORWATH LLP

(2) EIN: 35-0921680

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		5000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)

RETIREMENT PLAN FOR EMPLOYEES OF ERICSSON INC.

5b(2) EIN(s)	5b(3) PN(s)
06-1119960	007

Part V Trust Information (optional)

6a Name of trust

6b Trust's EIN

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2012 This Form is Open to Public Inspection.
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan <u>TELCORDIA TECHNOLOGIES PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>TELCORDIA TECHNOLOGIES, INC.</u>	D Employer Identification Number (EIN) <u>22-2478398</u>

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

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>13-5160382</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>165</u>

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

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

Part III	Amendments
-----------------	-------------------

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- a** Enter the percentage of plan assets held as:

Stock: 19.0% Investment-Grade Debt: 60.0% High-Yield Debt: 4.0% Real Estate: 3.0% Other: 14.0%

- 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):

Telcordia Technologies Pension Plan

Employer ID No: 22-2478398

Plan Number: 002

Financial Statements as of and for the Years Ended
December 31, 2012 and 2011,
Supplemental Schedule for the
Year Ended December 31, 2012, and Independent Auditor's
Report

TELCORDIA TECHNOLOGIES PENSION PLAN

Piscataway, New Jersey

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INDEPENDENT AUDITOR'S REPORT

To the Administrator and Participants of
Telcordia Technologies Pension Plan
Piscataway, New Jersey

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Telcordia Technologies Pension Plan, which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statement 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matters 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 6, which was certified by The Bank of New York Mellon/BNY Mellon, N.A., 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 trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2012 and 2011 and for the years ended December 31, 2012 and 2011 that the information provided to the plan administrator by the 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.

(Continued)

Emphasis of Matter

As described in Note 14, the Plan was merged into the Ericsson Retirement Plan, effective January 1, 2013. Our disclaimer of opinion is not modified with respect to this matter.

Other Matter

The supplemental Schedule H, Part IV, Line 4j – Schedule of Reportable Transactions for the year ended December 31, 2012 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for purposes 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 the 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 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.


Crowe Horwath LLP

New York, New York
September 26, 2013

TELCORDIA TECHNOLOGIES PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2012 AND 2011 (Dollars in thousands)

	2012	2011
ASSETS:		
Investments — at fair value:		
US Government Securities (\$0 and \$58,082 on loan at December 31, 2012 and 2011, respectively)	\$ 156,007	\$ 105,822
Derivatives	(306)	(75)
Common stock (\$0 and \$105,921 on loan at December 31, 2012 and 2011, respectively)	330,812	371,163
Preferred stock	8,190	485
Interest in registered investment companies	269,477	120,004
Interest-bearing cash	2,619	5,720
Total investments — at fair value	766,799	603,119
Investments — at estimated fair value:		
US Government Securities	12,329	14,904
Preferred stock	-	201
Corporate bonds (\$1,322 and \$35,799 on loan at December 31, 2012 and 2011, respectively)	953,342	893,470
Derivatives	1,761	(2,237)
Other investments	281,215	273,213
Interest in collective trusts	156,887	206,245
Total investments — at estimated fair value	1,405,534	1,385,796
Total investments	2,172,333	1,988,915
Receivables:		
Securities sold	82,949	69,339
Interest and dividend income	16,513	17,369
Total receivables	99,462	86,708
Collateral held under securities lending agreement	1,350	204,558
Total assets	2,273,145	2,280,181
LIABILITIES:		
Obligation to return collateral under securities lending agreement	1,350	204,558
Payable for securities purchased including derivative liabilities	132,999	110,730
Plan transfers — net (Note 1)	(4,870)	2,774
Accrued expenses	515	1,463
Total liabilities	129,994	319,525
NET ASSETS AVAILABLE FOR BENEFITS	\$ 2,143,151	\$ 1,960,656

See notes to financial statements.

TELCORDIA TECHNOLOGIES PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED DECEMBER 31, 2012 and 2011 (Dollars in thousands)

	2012	2011
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments:		
US Government Securities	\$ 4,133	\$ 17,781
Common stock	49,394	(18,279)
Preferred stock	903	13
Derivatives	(51)	10,710
Registered investment companies	14,816	(132)
Net appreciation (depreciation) in fair value of investments whose fair value was estimated:		
US Government Securities	139	2,372
Preferred stock	(12)	(113)
Corporate bonds	80,999	57,558
Derivatives	9,008	(334)
Other investments	17,243	37,153
Collective trusts	<u>27,738</u>	<u>(5,427)</u>
Net appreciation in fair value of investments	204,310	101,302
Interest	68,335	67,046
Dividends	13,962	10,314
Investment expenses	<u>(6,170)</u>	<u>(6,472)</u>
Total additions	<u>280,437</u>	<u>172,190</u>
Benefits paid directly to participants	(104,222)	(97,648)
Trustee and administrative expenses	<u>(2,313)</u>	<u>(2,457)</u>
Total deductions	<u>(106,535)</u>	<u>(100,105)</u>
Net increase prior to Plan Transfers	<u>173,902</u>	<u>72,085</u>
PLAN TRANSFERS — Net (Note 1)	<u>8,593</u>	<u>3,519</u>
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of year	<u>1,960,656</u>	<u>1,885,052</u>
End of year	<u>\$ 2,143,151</u>	<u>\$ 1,960,656</u>

See notes to financial statements.

TELCORDIA TECHNOLOGIES PENSION PLAN

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011

(Dollars in thousands)

1. DESCRIPTION OF PLAN

The Telcordia Technologies Pension Plan (the “Plan”) was established by Telcordia Technologies, Inc. (“Telcordia” or the “Company”) effective January 1, 1984, as a result of the disaggregation of the Bell System Management Plan. The following description of the Plan provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

The Plan is a noncontributory defined benefit plan covering substantially all the employees of the Company. An eligible employee will enter the plan following the later of: (1) 12 months of Service or (2) the employee’s 21st birthday. Benefits of the Plan accrue based upon one of two Plan formulas: the traditional benefit formula or the cash balance benefit formula. Employees hired on or before December 31, 2001, are participating in the Plan using either the traditional benefit formula or the cash balance benefit formula. Employees hired on or after January 1, 2002, are participating in the Plan using the cash balance benefit formula. Employees’ benefits under the Plan are vested 20% if the Participant has at least one year but less than two, 40% if the Participant has at least two years but less than three, and 100% if the Participant has three or more vesting years. Any unvested portion of the benefit is forfeited upon termination.

From time to time, the Company will temporarily amend the Plan in order to provide for the payment of a Pension Separation Allowance from the Telcordia Technologies Pension Trust, where permitted by law, to eligible employees whose employment is involuntarily terminated as a result of a force adjustment.

The Plan is administered by the trustee, The Bank of New York Mellon/BNY Mellon, N.A. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”).

Traditional Pension Plan Benefits — This Plan option applies to all those who have been employed by Telcordia Technologies prior to January 1, 2002, and opted for this benefit formula. A benefit under the traditional benefit formula is determined by a final average pay (“FAP”) formula based on pay and years of service at the time of retirement or termination of employment. Final average pay is based upon eligible average compensation during the highest consecutive 60 months out of the last 120 months preceding the participant’s retirement or termination of employment.

Effective January 1, 2009, an employee’s annual compensation in excess of \$245 or as otherwise permitted by Internal Revenue Service Code 401(a)(17) is excluded for purposes of accruing benefits.

Effective August 1, 2006, a Plan amendment reduced the multiplier in the formula used to determine accrued benefits earned after July 31, 2006. Benefits earned through July 31, 2006, are not affected by the change nor is the formula used to calculate final average pay. The new traditional benefit formula is defined as follows:

1.4% x Final Average Pay ("FAP") up to and including the Social Security Integration Level (SSIL) x Service through July 31, 2006

PLUS

1.5% x FAP in excess of SSIL x Service through July 31, 2006

PLUS

1.1% x FAP x Service earned after July 31, 2006

Cash Balance Plan Benefits — This Plan option applies to all those who were hired on or after January 1, 2002, and all those hired on or before December 31, 2001, who opted for this benefit formula. A benefit under the cash balance formula is determined using an "account balance" approach. A notional account is created for each participant. The opening account balance reflected the lump-sum value of earned benefits under the Plan as of December 31, 2001. The Cash Balance pension grows through the addition of monthly pay credits and interest credits that are applied to participant accounts. At the end of every month, Telcordia automatically credits participant accounts with a monthly pay credit equal to a percentage of eligible pay for that year. The percentage is based on years of service.

Effective August 1, 2006, a Plan amendment introduced a new scale of monthly pay credit percentages. The formula for calculating monthly interest credits remained unchanged. The following chart illustrates the monthly pay credit percentages under the new formula:

	Pay Credit Percentage	
	Effective August 1, 2006	Pre- August 1, 2006
Term of employment (completed as of the end of the month prior to the allocation)		
Less than 5 years	3 %	4 %
At least 5 years, but less than 10 years	4	5
At least 10 years, but less than 15 years	5	6
At least 15 years, but less than 20 years	6	8
20 years or more	7	10

Participant account balances also grow each year with interest credits, which are credited to accounts as of the last business day of every month. The interest credit percentage is based on the annual interest rate of 30-year U.S. Treasury securities for the middle month of the preceding quarter. The minimum annual interest accrual rate is 4.01%. The interest credit earned is determined by the value of accounts at the beginning of the month.

Portability — Telcordia transfers or receives the accumulated interest of certain eligible participants in the Plan to and from other plans sponsored by companies such as AT&T Corp., Lucent Technologies, and the regional holding companies (the "Interchange Companies"), as their employment status changes as subject to the terms of the Mandatory Portability agreement. The obligation and associated amount of assets relating to each covered employee's accumulated Plan benefit transferring between Interchange Companies is aggregated with the obligation and associated amount of assets relating to each other

covered employee. Only the net amount of assets relating to the aggregate of transfers of obligations shall actually be transferred from one plan to the other plan. Effective January 1, 1995, a participant may elect to waive service credit portability.

Expenses — Substantially all of the trustee, investment management fees, administrative and actuarial expenses of the Plan are paid with Plan assets. Investment management fees are charged to the Plan as a reduction of investment return and included in the investment income (loss) reported by the Plan.

Reclassification — Certain prior year amounts have been reclassified to conform to the current year presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accompanying financial statements have been prepared under the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

Use of Estimates — The preparation of financial statements in conformity with GAAP requires management to make significant estimates and assumptions that affect the reported amounts of net assets available for benefits, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financials, and actual results could differ from those estimates. It is at least reasonably possible that a significant change may occur in the near term for those estimates.

Risks and Uncertainties — The Plan utilizes various investments including U.S. Government Securities, corporate debt instruments, mutual funds, corporate stocks, collective trusts and derivatives. Investments, in general, are exposed to various risks, such as interest rate risk, credit risk, liquidity risk, and overall market volatility. Due to the level of risk associated with certain investment, Plan management believes it is reasonably possible that changes in the values of investment will occur in the near term and changes could materially affect the amounts reported in the financial statements.

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

Concentrations — The Plan invests in investments with contractual cash flows, such as asset backed securities, collateralized mortgage obligations and commercial mortgage backed securities, including securities backed by sub-prime mortgage loans. The value, liquidity and related income of these investments are sensitive to changes in economic conditions, including real estate value, delinquencies or defaults, or both, and may be adversely affected by shifts in the market’s perception of the issuers and changes in interest rates.

Investment Valuation and Income Recognition — The Plan’s investments are reported at fair value. Purchase and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The gains or losses realized on distributions of investments and the unrealized appreciation or depreciation are calculated as the difference between the current fair value and the fair value of the investments at the beginning of the year, or purchase price if purchased during the year.

Payment of Benefits — Benefit are recorded when paid.

Valuation of Other Financial Instruments — The carrying values of the Plan's receivables and liabilities as of December 31, 2012 and 2011 approximate fair value.

3. FUNDING POLICY

Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan in amounts determined by the Plan's independent actuary. There were no contributions by the Company to the Plan in 2012 and 2011.

The minimum funding requirements of ERISA have been met for the years ended December 31, 2012 and 2011.

4. ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service which employees have rendered to the Company as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. The actuarial present value of accumulated plan benefits is determined by an independent actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits as of December 31, 2011 is as follows:

	<u>December 31,</u> <u>2011</u>
Vested benefits:	
Participants and or beneficiaries currently receiving benefits	\$1,010,253
Other participants	<u>752,605</u>
Total vested benefits	1,762,858
Nonvested benefits	<u>9,384</u>
Total actuarial present value of accumulated plan benefits	<u>\$1,772,242</u>

The changes in the actuarial present value of the Plan's accumulated plan benefits for the year ended December 31, 2011, are as follows:

Actuarial present value of accumulated plan benefits — December 31, 2010	<u>\$1,747,754</u>
Increase (decrease) during the year attributable to:	
Benefits paid	(97,648)
Changes in discount period	85,909
Interest accumulation	17,231
Benefits accumulated	<u>18,996</u>
	<u>24,488</u>
Actuarial present value of accumulated plan benefits — December 31, 2011	<u>\$1,772,242</u>

The significant actuarial assumptions used in the December 31, 2011 and 2010 valuations were:

	December 31, 2011	December 31, 2010
Mortality:		
Healthy:	Generational Mortality for Annuitants and Non-Annuitants	Generational Mortality for Annuitants and Non-Annuitants
Disabled:	Generational Mortality for Annuitants and Non-Annuitants	Generational Mortality for Annuitants and Non-Annuitants
	Varying rate by age, starting at 5% at age 50, 30% at age 65 and 100% at age 70+	Varying rate by age, starting at 5% at age 50, 30% at age 65 and 100% at age 70+
Retirement Age:		
Discount Rate (assumed settlement interest rate)	5.00%	5.00%
Interest crediting rate	4.75%	4.75%

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

An actuarial valuation of the Plan's accumulated plan benefits as of December 31, 2012 has not yet been completed.

5. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received by the Plan for an asset or paid by the Plan to transfer a liability (an exit price) in an orderly transaction between market participants on the measurement date in the Plan's principal or most advantageous market for the asset or liability. Fair value measurements are determined by maximizing the use of observable inputs and minimizing the use of unobservable inputs. The hierarchy places the highest priority on unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1 measurements) and gives the lowest priority to unobservable inputs (Level 3 measurements). The three levels of inputs within the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the Plan has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect the Plan's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In some cases, a valuation technique used to measure fair value may include inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The following tables set forth by level within the fair value hierarchy a summary of the Plan's assets and liabilities measured at fair value on a recurring basis at December 31, 2012 and 2011.

<u>Assets</u>	Fair Value Measurements at December 31, 2012, Using			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
U.S. Government Securities	\$ 156,007	\$ 12,329	\$ -	\$ 168,336
Common and preferred stock				
Domestic stock	299,259	-	-	299,259
International stock	31,553	-	-	31,553
Preferred stock	8,190	-	-	8,190
Corporate Bonds				
Asset backed securities	-	5,469	-	5,469
Banking and finance	-	192,952	-	192,952
Collateralized mortgage obligations	-	5,470	-	5,470
Food	-	57,590	-	57,590
Healthcare	-	49,971	-	49,971
Insurance	-	36,886	-	36,886
News and media	-	60,825	-	60,825
Non-US corporate bonds	-	16,047	-	16,047
Oil and gas	-	100,605	-	100,605
Private placements	-	135,958	-	135,958
Retail	-	37,873	-	37,873
Technology	-	19,117	-	19,117
Utilities	-	131,723	-	131,723
Other corporate bonds	-	102,856	-	102,856
Derivatives				
Futures	(261)	-	-	(261)
Options	(45)	507	-	462
Interest rate swaps	-	(895)	-	(895)
Credit default swaps	-	2,149	-	2,149
Other investments				
Municipals	-	180,990	-	180,990
Non-US government bonds	-	41,838	-	41,838
All other	-	58,387	-	58,387
Cash and cash equivalents	1,460	1,159	-	2,619
Mutual fund				
Domestic stock fund	124,183	-	-	124,183
International stock fund	145,294	-	-	145,294
Collective trusts:				
Short-term reserves	-	11,753	-	11,753
Bond fund	-	15,565	-	15,565
International stock funds	-	60,145	-	60,145
Real estate funds	-	69,424	-	69,424
Total	<u>\$ 765,640</u>	<u>\$ 1,406,693</u>	<u>\$ -</u>	<u>\$ 2,172,333</u>
Collateral held under securities lending agreement:				
ERISA lending pool	<u>\$ -</u>	<u>\$ 1,350</u>	<u>\$ -</u>	<u>\$ 1,350</u>

Fair Value Measurements at December 31, 2011, Using				
<u>Assets</u>	Quoted Prices in Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
U.S. Government Securities	\$ 105,822	\$ 14,904	\$ -	\$ 120,726
Common and preferred stock				
Domestic stock	270,613	-	-	270,613
International stock	100,550	-	-	100,550
Preferred stock	485	201	-	686
Corporate Bonds				
Asset backed securities	-	4,781	-	4,781
Banking and finance	-	179,787	-	179,787
Collateralized mortgage obligations	-	13,575	-	13,575
Food	-	44,432	-	44,432
Healthcare	-	52,194	-	52,194
Insurance	-	30,928	-	30,928
News and media	-	56,603	-	56,603
Non-US corporate bonds	-	54,081	-	54,081
Oil and gas	-	68,732	-	68,732
Private placements	-	96,754	-	96,754
Retail	-	39,086	-	39,086
Technology	-	33,028	-	33,028
Utilities	-	123,700	-	123,700
Other corporate bonds	-	95,789	-	95,789
Derivatives				
Futures	(75)	-	-	(75)
Options	-	(8)	-	(8)
Interest rate swaps	-	(279)	-	(279)
Credit default swaps	-	(1,950)	-	(1,950)
Other investments				
Municipals	-	232,951	-	232,951
All other	-	40,262	-	40,262
Cash and cash equivalents	5,720	-	-	5,720
Mutual fund				
Domestic stock fund	120,004	-	-	120,004
Collective trusts:				
Short-term reserves	-	45,074	-	45,074
Bond fund	-	9,176	-	9,176
International stock funds	-	90,072	-	90,072
Real estate funds	-	61,923	-	61,923
Total	<u>\$ 603,119</u>	<u>\$ 1,385,796</u>	<u>\$ -</u>	<u>\$ 1,988,915</u>
Collateral held under securities lending agreement:				
ERISA lending pool	<u>\$ -</u>	<u>\$ 204,558</u>	<u>\$ -</u>	<u>\$ 204,558</u>

The following is a description of the valuation methodologies and assumptions used for assets measured at fair value as of December 31, 2012 and 2011.

Mutual Funds, Preferred Stocks, and Common Stocks: The fair values of mutual fund, preferred stock, and common stock investments are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs). Certain restricted common and preferred stocks are valued at the quoted market price of the issuer's unrestricted common and preferred stock less an appropriate discount (Level 2 inputs). If a quoted market price for unrestricted common stock of the issuer is not available, restricted common stocks are valued at a multiple of current earnings less an appropriate discount. The multiple chosen is consistent with multiples of similar companies based on current market prices.

Corporate Bonds and U.S. Government Securities: Certain U.S. Government Securities are valued at the closing price reported in the active market in which the bond is traded (Level 1 inputs). Other corporate bonds and government securities are valued based upon recent bid prices or the average of recent bid and asked prices when available (Level 2 inputs) and, if not available, they are valued through matrix pricing models that use volatility-driven, multi-dimensional spread table based, single cash flow stream model or an options adjusted spread model developed by sources considered by management to be reliable (Level 2 inputs).

Asset Back Securities and Collateralized Mortgage Obligations: Asset back securities and collateralized mortgages obligations have been valued on the basis of their future principal and interest payments discounted at prevailing interest rates for similar investments (Level 2 inputs). The valuation techniques used can be either the market, income or cost approach. The appropriateness of each valuation technique depends on the type of asset being valued.

Municipal Securities and Private Placement Securities: Municipal securities and private placement securities are valued based on yields currently available on comparable securities of issuers with similar credit ratings (Level 2 inputs). The valuation techniques used can be either the market, income or cost approach. The appropriateness of each valuation technique depends on the type of asset being valued.

Derivative Instruments: The fair values of exchange-traded derivatives are based upon quoted market prices (Level 1 inputs). The fair values of derivatives that are not traded on an exchange are based upon valuation models using observable market data as of the measurement date (Level 2 inputs).

Collective Trusts: Fair values of shares of collective trusts are based upon the net asset values of the funds reported by the fund managers as of the Plan's financial statement dates and recent transaction prices (Level 2 inputs). The short-term reserves funds invest primarily in a diversified portfolio of investment grade money market instruments, including, but not limited to, commercial paper, notes, repurchase agreements and other evidences of indebtedness which are payable on demand or which have a maturity date not exceeding thirteen (13) months from the date of purchase. The international stock funds are composed of developed market international equity fund and an emerging market international equity fund. The developed international equity fund invests in a diversified portfolio of international equity securities of which up to 10% of the assets, at cost, may be invested in non-EAFE Index countries. The emerging market international equity fund invests primarily in a diversified portfolio of equity and equity-related securities of non-U.S. issuers and other securities, instruments and derivatives whose performance is linked to the performance of the securities of non-U.S. issuers. The investment objective is to achieve long-term capital appreciation by investment primarily in equity and equity-related securities of issuers that are located, or do significant business, in emerging market countries. The bond fund invests primarily in a diversified portfolio of emerging markets fixed income securities. With the exception of the Real Estate Funds, each collective trust provides for daily redemptions by the Plan with no advance notice requirements, and has redemption prices that are determined by the fund's net asset value per share or per unit, as applicable.

The fair values of investments in real estate funds are based upon the net assets value of the real estate collective trusts in which it invests (Level 2 inputs). The fair values of the underlying investments of the real estate funds, principally rental property subject to long-term leases, have been estimated on the basis of future rental receipts and estimated residual values discounted at interest rates commensurate with the risks involved. The investment objective of the JP Morgan Chase Strategic Property Fund is to achieve long-term capital appreciation and generate income by investing in residential, retail, and industrial real estate. The JP Morgan Chase Strategic Property Fund provides for quarterly redemptions, upon 45 day notice period, that are subject to available cash in the fund and if withdrawal requests exceed available cash, the distributions are made on a pro rata basis.

Securities Lending Collateral Pools: Fair value has been determined to approximate the reported redemption values of \$1.00 per unit, based upon recent transaction prices (Level 2 inputs). While the collateral pools are managed to seek a constant \$1.00 per share net asset value, net asset values per unit can fluctuate over time, and guarantees of principal are not provided. The collateral pools invest primarily in short-term and medium-term debt instruments of high credit quality, with the average maturities being somewhat longer than that of an SEC-registered money market fund.

Cash and Cash Equivalents: The Plan considers deposits with banks and brokers with original maturities of three months or less to be cash equivalents. Cash equivalents are carried at deposit account balances, which approximates fair value (Level 1 inputs).

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

6. UNAUDITED INFORMATION-CERTIFIED INVESTMENTS

Substantially all information pertaining to the Plan's investments and notes receivable from participants included in the financial statements, including the associated investment income (loss), and interest earned on notes receivable from participants, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by The Bank of New York Mellon/BNY Mellon, N.A., the trustee of the Plan. This information has not been audited by independent accountants.

The Plans investments that represent five percent or more of the net assets available for benefits as of December 31, 2012 and 2011 are as follows:

	2012	2011
Vanguard Institutional Index Fund	\$ 124,183	\$ 120,004

During 2012 and 2011, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by \$204,310 and \$101,302, respectively, as follows:

Net appreciation (depreciation) in fair value of investments:		
U.S. Government Securities	\$ 4,133	\$ 17,781
Common		
Domestic stock	36,977	(4,707)
International stock	12,417	(13,572)
Preferred stock	903	13
Derivatives		
Futures	152	10,710
Put options	(203)	0
Mutual funds		
Domestic stock fund	15,492	(132)
International stock fund	<u>(676)</u>	<u>0</u>
	<u>69,195</u>	<u>10,093</u>
Net appreciation (depreciation) in fair value of investments whose fair value was estimated —		
U.S. Government Securities	139	2,372
Preferred Stock	(12)	(113)
Corporate bonds	80,999	57,558
Derivatives		
Put options	629	28
Call options	(572)	719
Interest rate swaps	(653)	600
Credit default swaps	9,604	(1,681)
Other investments	17,243	37,153
Collective trusts		
Bond fund	1,711	228
International stock funds	18,526	(14,175)
Real estate funds	<u>7,501</u>	<u>8,520</u>
	<u>135,115</u>	<u>91,209</u>
Net appreciation in fair value of investments	<u>\$ 204,310</u>	<u>\$ 101,302</u>

During 2012 and 2011, the Plan had \$82,297 and \$77,360, respectively, of interest and dividend income.

7. DERIVATIVE FINANCIAL INSTRUMENTS

Certain of the Plan's fixed income investment managers are permitted to use certain specified types of derivative instruments as part of their respective strategies. The strategies include the use of futures, forwards, swaps and options for the purpose of yield curve management, maintaining the interest rate exposure within the targeted range versus the benchmark, managing the convexity of the portfolio, and as a substitute for physical securities of an index. The purchase or sale of futures or options for speculation or leverage is prohibited.

Foreign Currency Exchange Contracts and Forwards (non TBAs)— The Plan enters into forward contracts to purchase and sell foreign currencies in the normal course of its investing activities to manage the currency exposure associated with the Plan's foreign equity and fixed-income investments.

The terms of these contracts generally do not exceed one year. The credit risk associated with these contracts is minimal, as they are entered into with a limited number of highly rated counterparties.

At December 31, 2012 and 2011, the Plan held forwards. The Plan uses forward trades as deferred payment transactions to manage market exposures. Forward contracts are 100% backed by cash and cash equivalent securities. The net notional value of forward contracts was Australian Dollar (991), Brazilian Real (31), British Pound (3,540), Canadian Dollar (9,591), Chinese Yuan 388, Euro 98, Japanese Yen (181,541), Mexican Peso 509, New Zealand Dollar 428, Norwegian Krone (9,932), Swedish Krona (4,213), Swiss Franc (3,925) and USD 24,567 at December 31, 2012, and Australian Dollar (1,171), Brazilian Real 41, British Pound (2,401), Canadian Dollar (8,572), Chinese Yuan 73,245, Danish Krone 329, Euro (3,315), Indian Rupee 33,901, Japanese Yen 55,865, Malaysian Ringgit 4, Mexican Peso 509, Taiwan Dollar 24,365, New Zealand Dollar (1,049), Norwegian Krone 3,503, South Korean Won (20,361), Swedish Krona (16,912), Swiss Franc (1,270) and USD 7,648 at December 31, 2011.

The Plan reflects the fair value of all forward contracts as an asset or liability in the Plan's financial statements. The fair values associated with the foreign currency contracts have been estimated by valuing the net position of the contracts using the applicable spot rates and forward rates as of the reporting date. In the statements of net assets available for benefits, forward contracts to purchase foreign currency are shown as currency contract payables, and forward contracts to sell foreign currency are shown as currency contract receivables. The fair value of foreign currency exchange contracts in the statements of net assets available for benefits is \$(78) and \$(188) at December 31, 2012 and 2011, respectively. Changes in fair value are accounted for as net appreciation (depreciation) in fair value of investments.

Futures Contracts — The Plan enters into futures contracts in the normal course of its investing activities to manage market risk associated with the Plan's equity and fixed-income investments and to achieve overall investment portfolio objectives. These contracts involve elements of market risk in excess of amounts recognized in the statements of net assets available for benefits. The credit risk associated with these contracts is minimal, as they are traded on organized exchanges and settled daily.

During 2012 and 2011, the Plan was a party to futures contracts held for trading purposes for the U.S. Treasury bonds. Upon entering into a futures contract, the Plan is required to deposit either in cash or securities an amount ("initial margin") equal to a certain percentage of the nominal value of the contract. Subsequent payments are then made or received by the Plan, depending on the daily fluctuation in the value of the underlying contracts. U.S. Government Securities and Corporate Bonds owned and included in the investments of the Plan, with a value of \$450 and \$1,759 at December 31, 2012 and 2011, respectively, were held by the Plan's brokers as performance security on futures contracts.

At December 31, 2012 and 2011, the Plan had futures contracts to purchase (sell) U.S. Treasury bonds contracts and money market futures. The fair value of futures contracts in the statements of net assets available for benefits is \$(261) and \$(75) at December 31, 2012 and 2011, respectively. Changes in fair value are accounted for as net appreciation (depreciation) in fair value of investments.

Options — An option contract is a contract in which the writer of the option grants the buyer of the option the right to purchase from ("call option"), or sell to ("put option"), the writer a designated instrument at a specified price within a specified period of time. Both written and purchased options were used by the Plan during 2012 and 2011. When the Plan purchases or writes an option, an amount equal to the premium paid or received by the Plan is recorded as an asset or liability and is subsequently adjusted to the current market value of the option purchased or written. Gain or loss is recognized when the option contract expires or is closed. As of December 31, 2012 and 2011, open written options included:

	Fair Value Asset (Liability)
At December 31, 2012	
Put options:	
U.S. Treasury interest rate swap	\$ (196)
EuroDollar future	(149)
Call options:	
U.S. Treasury interest rate swap	(556)

	Fair Value Asset (Liability)
At December 31, 2011	
Put options:	
U.S. Treasury 1 year interest rate swap	\$ (11)
U.S. Treasury 2 year interest rate swap	(1)
U.S. Treasury 10 year interest rate swap	0

The underlying gross exposure to securities on which options were written was \$(56,800) and \$(16,500) at December 31, 2012 and 2011, respectively.

Interest Rate Swaps — At December 31, 2012 and 2011, the Plan held interest rate swaps. The Plan uses fixed and variable interest rate swaps as risk-neutral substitutes for physical securities, or to obtain non-leveraged exposure in markets where no physical securities are available. The Plan also held options as a means to manage interest rate and volatility exposure of the portfolio as of December 31, 2012 and 2011. The fair value of interest rate swaps was \$(895) as of December 31, 2012, and \$(279) as of December 31, 2011. The gross notional value of the swaps was Australian Dollar 27,920, Canadian Dollar 14,300, Euro 48,740, Japanese Yen 1,941,400, New Zealand Dollar 10,840, Norwegian Krone 55,120, British Pound 3,200, Swedish Krone 21,060, Swiss Franc 8,520 and USD 280,300 at December 31, 2012, and Euro 194,300, British Pound 1,080 and USD 74,000 at December 31, 2011.

Certain of the Plan's fixed income managers utilize an ISDA (International Swap and Derivatives Association) Master Agreement as an umbrella agreement which governs all transactions entered into between brokers. The ISDA provides a form of 'netting' which allows the investment manager to net its total exposure to the counterparty in the event of a default or termination. The use of such agreements is fundamental to monitoring and reducing counterparty risk. It establishes uniform and consistent terms across counterparties and administrative ease transactions for settlement.

Credit Default Swaps — A credit default swap ("CDS") is a contract that involves the payment or receipt of an annual default premium for a specific issuer of corporate bonds, and requires the party receiving the premium to pay the par value of the corporate bonds if the issuer defaults. Swap contracts are entered into directly between the parties and consequently involve counterparty credit risk. Fixed Income managers manage risk by maintaining a weighted average bond portfolio quality rating of at least "A" and ensure that bonds rated below investment grade, i.e., bonds rated below "BBB-", do not exceed 10% of total portfolio investments at market value.

In addition to the derivatives used for risk management purposes described above, the Plan's fixed income investment managers may also use CDS to sell credit protection against a specified credit event. In selling credit protection, CDS are used to replicate fixed income securities when credit exposure to certain issuers is not available or when it is economically beneficial to transact in the derivative market compared to the cash market alternative. Credit risk includes both the default event risk and market value exposure due to fluctuations in credit spreads. In selling CDS protection, the Plan receives a

periodic premium in exchange for providing credit protection on a single name reference obligation or credit derivative index. If there is an event of default as defined by the CDS agreement, the Plan is required to pay the counterparty the referenced notional amount of the CDS contract and in exchange the Plan is entitled to receive the referenced defaulted security or the cash equivalent.

At December 31, 2012 and 2011, the Plan had \$747,100 and \$38,600, respectively, notional value of outstanding CDS contracts where the Plan sold credit protection. The maximum payment related to these CDS contracts is \$747,100 and \$38,600, respectively, assuming there is no residual value in the defaulted securities that the Plan would receive as part of the contract terminations. The fair market value of these contracts at December 31, 2012 and 2011 is an asset of \$2,172 and a liability \$(89), respectively, which represents the amount that the Plan would have to pay to exit these derivative positions. The fair market value for CDS contracts where the Plan bought credit protection at December 31, 2012 and 2011 is an asset of \$(24) and \$3,141, respectively.

The table below summarizes CDS contracts where the Plan sold credit protection. The largest single reference obligation in the table below represents 57.51% of the total notional value and is rated AAA.

	Fair Value of Credit Default Swaps	Maximum Amount of Future Payments under Credit Default Swaps	Weighted Average Years to Maturity
December 31, 2012			
Credit Quality:			
AAA/AA/A	\$ 243	\$ 9,400	0
BBB/BB/B	<u>1,929</u>	<u>737,700</u>	<u>5</u>
Total	<u>\$ 2,172</u>	<u>\$ 747,100</u>	<u>5</u>
December 31, 2011			
Credit Quality:			
AAA/AA/A	\$ (5)	\$ 900	0
BAA+/BAA-	<u>(84)</u>	<u>37,700</u>	<u>7</u>
Total	<u>\$ (89)</u>	<u>\$ 38,600</u>	<u>7</u>

The following table identifies the fair value of derivative instruments included in the statement of net assets available for benefits, categorized by primary underlying risk, at December 31, 2012 and 2011. Balances are presented on a gross basis, prior to the application of the impact of counterparty and collateral netting. Total derivative assets and liabilities are adjusted on an aggregate basis to take into consideration the effects of master netting arrangements and have been reduced by the application of cash collateral receivables and payables with counterparties. The second table also identifies the net gain and loss included in the statements of changes in net assets available for benefits as net gain (loss) from derivative financial instruments, categorized by primary underlying risk, for the years ended December 31, 2012 and 2011.

	Location in Stmt of Net Assets		
Primary Underlying Risk	Available for Benefits	2012	2011
Assets:			
Foreign exchange contracts	Receivable for securites sold	\$ 194	\$ (331)
Futures contracts	Investments in derivatives at fair value	(261)	(75)
Put options	Investments in derivatives at fair value	(45)	0
Put options	Investments in derivatives at estimated fair value	425	(8)
Call options	Investments in derivatives at estimated fair value	82	0
Interest rate swaps	Investments in derivatives at estimated fair value	(895)	(279)
Credit default swaps	Investments in derivatives at estimated fair value	2,149	(1,950)
Total derivative assets		\$ 1,649	\$ (2,643)

Liabilities:

Foreign exchange contracts	Payable for securities purchased including derivative liabilities	\$	(272)	\$	143
Total derivative liabilities		\$	<u>1,377</u>	\$	<u>(2,500)</u>

Primary Underlying Risk	Location in Statement of Changes of Net Assets Available for Benefits	Gain (loss) for year ended Dec 31	
		2012	2011
Assets:			
	Net appreciation (depreciation) in fair value of investments in fixed income securities		
Foreign exchange contracts		\$ 309	\$ (589)
	Net appreciation (depreciation) in fair value of investments in derivatives	152	10,710
Futures contracts			
	Net appreciation (depreciation) in fair value of investments in derivatives	(203)	0
Put options			
	Net appreciation (depreciation) in estimated fair value of investments in derivatives	629	28
Put options			
	Net appreciation (depreciation) in estimated fair value of investments in derivatives	(572)	719
Call options			
	Net appreciation (depreciation) in estimated fair value of investments in derivatives	(653)	600
Interest rate swaps			
	Net appreciation (depreciation) in estimated fair value of investments in derivatives	9,604	(1,681)
Credit default swaps			
		<u>9,604</u>	<u>(1,681)</u>
Total assets		\$ 9,266	\$ 9,787

The notional amounts as of December 31, 2012 and 2011 summarized by contract type below (in thousands). The notional amounts as of year-end are considered representative of the activity throughout the year.

	2012	2011
Foreign exchange contracts	\$ 82,361	\$ 64,882
Futures contracts	(45,742)	(102,257)
Put options	(8,600)	(8,400)
Call options	37,700	0
Interest rate swaps	223,477	163,954
Credit default swaps	754,410	309,068

8. SECURITIES LENDING

The policies of the Plan allow the use of investments for securities lending transactions. The Plan has selected The Bank of New York Mellon/BNY Mellon, N.A. as the securities lending agent. This program involves loans of securities to borrowers, including financial institutions and broker-dealers, for collateral with a simultaneous agreement to return the collateral for the same securities in the future. The borrower has the right to sell or repledge the loaned securities. The borrower is obligated to the lending agent with respect to amounts equivalent to all dividends, interest and distributions pertaining to the securities. The Plan and the lending agent have the ability to call the security at any time during the term of the lending agreement and the Plan's investment advisors may sell the securities at any time.

Securities are loaned from the fixed income and equity segments of each of the Plan's investment managers for collateral of 102% of the market value of the loaned securities issued by United States of America issuers and 105% of the market value of the loaned securities issued by non-United States of America issuers. Collateral can be in the form of cash, securities issued or guaranteed by the United States of America Government or its agencies or instrumentalities; irrevocable letters of credit issued by banks independent of the borrowers or other forms approved by Telcordia for use as collateral on behalf of the Plan. Collateral is invested in instruments in accordance with stated guidelines, and is reflected at market value. The Plan does, however, assume some investment risk related to the reinvestment of this collateral. The contract with the lending agent indemnifies the Plan if borrowers fail to return the securities. The Plan's credit risk to borrowers is managed by the securities lending agent's credit screening process and collateralization requirements, including daily collateral monitoring and maintenance processes.

At December 31, 2012 and 2011, approximately \$1,322 and \$199,802, respectively, of the Plan's securities were on loan under this program. The majority of collateral for the securities loan consists of cash which has been invested in the Mellon Global Securities Lending ERISA Pool, which is managed by Mellon Global Securities Lending Department. As of December 31, 2012, collateral held amounted to \$1,350 consisting of the Mellon Global Securities Lending ERISA Pool of \$1,350. As of December 31, 2011, collateral held amounted to \$204,558 consisting of the Mellon Global Securities Lending ERISA Pool of \$145,151 and U.S. Government Securities of \$59,407. Net earnings from the program were \$273 and \$362 in 2012 and 2011, respectively.

9. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (the “IRS”) has determined and informed the Company by a letter dated July 13, 2010, that the determination letter is applicable for the amendments executed on December 29, 2008, March 4, 2008, December 6, 2007, December 21, 2004, and January 1, 2003 and that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code(“IRC”). The Plan has been amended since receiving the determination letter. However, the Company and Plan management believe that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan’s financial statements.

10. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan Document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (“PBGC”) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor’s pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of the benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan’s termination, subject to a statutory ceiling on the amount of an individual’s monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan’s net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all.

11. PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under DOL regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. Amounts paid by the Plan to parties in interest included fees paid for investment management, actuarial and trustee services, and administration of the Plan. Certain officers and employees of the Company (who may also be participants in the Plan) perform administrative services related to the operation, recordkeeping and financial reporting of the Plan. No such officer or employee receives compensation from the Plan.

Certain Plan investments are investment funds managed by The Bank of New York Mellon/BNY Mellon, N.A. The Bank of New York Mellon/BNY Mellon, N.A. is the trustee as defined by the Plan and, therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for the investment management and trustee services amounted to \$545 and \$623 for the years ended December 31, 2012 and 2011, respectively.

12. PLAN AMENDMENT

Following approval by the Company's Board of Directors on September 8, 2010, the Plan was amended for Plan years 2012 and beyond such that the Company provides a supplemental pension benefit to all retirees that retire prior to 2012 on a traditional pension benefit with service pension eligibility or a disability pension. The supplemental pension benefit amount is a flat dollar benefit amount based upon a retiree's single life monthly pension as well as retirement date.

13. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

A reconciliation of net assets available for benefits per the financial statements to the total net assets per the Form 5500 as of December 31, 2012 and 2011 is as follows:

Net assets available for benefits per the financial statements	\$ 2,143,151	\$ 1,960,656
Transfer out due to the merger with Ericsson Retirement Plan	(2,143,151)	
Benefit payments due to participants	<u>0</u>	<u>7,000</u>
Total net assets per the Form 5500	<u>\$ 0</u>	<u>\$ 1,953,656</u>

A reconciliation of the increase in net assets per the financial statements to the net income per the Form 5500 for the year ended December 31, 2012, is as follows:

Increase in net assets available for benefits prior to the transfer per the financial statements	\$ 182,495
Change in benefits paid to participants per Form 5500	<u>7,000</u>
Net income prior to the transfer per Form 5500	<u>\$ 189,495</u>

14. SUBSEQUENT EVENTS

Effective January 1, 2013, the Plan merged into the Ericsson US Pension Plan (Successor Plan). All assets, liabilities, and accumulated plan benefits of the Plan was merged into Successor Plan. As of December 31, 2012, the net assets available for benefits which were subsequently transferred out of this Plan were \$2,143,151.

Subsequent events were evaluated through September 26, 2013, the date the financial statements were available to be issued and determined there were no subsequent events requiring adjustment or disclosure in the financial statements.

* * * * *

Schedule of Active Participants – Traditional Pension Formula

[illegible]

Schedule SB, Line 26 – Schedule of Active Participant Data (cont.)

Plan Name: Telcordia Technologies, Inc. Pension Plan

EIN/PN: 22-2478398/002

Schedule of Active Participants – Cash Balance Pension Formula

Attained Age	Years of Credited Service															
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34	
	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.	No.	Avg. Bal.
Under 25	0		3		0		0		0		0		0		0	
25 – 29	0		17		2		0		0		0		0		0	
30 – 34	0		28	8,124	13		8		0		0		0		0	
35 – 39	0		56	13,371	31	26,836	89	58,381	22	76,486	0		0		0	
40 – 44	0		54	14,710	31	32,480	103	63,281	39	101,319	36	149,464	0		0	
45 – 49	0		54	17,911	31	50,979	78	74,152	49	113,711	66	175,208	39	248,787	1	
50 – 54	0		68	52,568	23	69,327	48	70,198	33	141,386	46	218,851	78	291,494	61	326,851
55 – 59	0		55	27,203	24	55,489	24	89,245	16		34	254,027	47	372,399	31	431,785
60 – 64	0		37	20,144	14		27	102,026	13		18		12		12	
65 – 69	0		10		6		18		4		2		7		0	
70 & Over	0		2		2		1		0		0		0		0	

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods
Plan Name: Telcordia Technologies, Inc. Pension Plan
EIN/PN: 22-2478398/002

Discount Rates

Current plan year PPA effective interest rate: 5.23%

Prior plan year PPA effective interest rate: 5.83%

3-Segment Rates: 1.98%, 5.07%, 6.19%

Applicable month: January

Transition election: No phase-in

Assumed Cost of Living Adjustments

None.

Cash Balance Interest Credit Rate

4.750%

Inclusion Date

The valuation date coincident with or next following the date on which the employee becomes a participant.

Plan-related Expenses

Administrative expenses of \$3,000,000 were assumed to be paid in 2012 from the plan.

Mortality

PPA prescribed fully generational mortality tables for annuitants and non-annuitants.

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods (cont.)

Plan Name: Telcordia Technologies, Inc. Pension Plan

EIN/PN: 22-2478398/002

Retirement

The rates at which participants are assumed to retire by age and benefit type are shown below:

Age	Cash Balance Retirement Rate	Traditional Retirement Rate
50	5.00%	5.00%
51	5.00%	5.00%
52	5.00%	5.00%
53	5.00%	5.00%
54	5.00%	5.00%
55	5.00%	10.00%
56	5.00%	10.00%
57	5.00%	10.00%
58	5.00%	10.00%
59	5.00%	10.00%
60	5.00%	10.00%
61	10.00%	15.00%
62	10.00%	15.00%
63	10.00%	15.00%
64	10.00%	15.00%
65	30.00%	30.00%
66	30.00%	30.00%
67	30.00%	30.00%
68	30.00%	30.00%
69	30.00%	30.00%
70+	100.00%	100.00%

The rates at which vested terminated cash balance participants are assumed to retire by age and benefit type are shown below:

Age	Cash Balance Retirement Rate
Less than 50	10.00%
50-69	15.00%
70+	100.00%

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods (cont.)

Plan Name: Telcordia Technologies, Inc. Pension Plan

EIN/PN: 22-2478398/002

Disability Rates

The rates at which participants are assumed to become disabled by age and gender are shown below:

Age	Males	Females
25	0.0075%	0.0075%
30	0.0075%	0.0100%
35	0.0100%	0.0175%
40	0.0200%	0.0325%
45	0.0400%	0.0600%
50	0.0825%	0.1000%
55	0.1725%	0.1600%
60	0.2875%	0.2250%
65	0.0000%	0.0000%

Compensation Increases

For purposes of determining the target normal cost, compensation is assumed to increase by the table below during the plan year. For purposes of determining the additional funding target for maximum deductible contribution purposes, compensation is assumed to increase by the table below per annum, if applicable.

Age	Increase Rate
Less than 30	7.50%
30-34	6.00%
35-39	4.50%
40-44	3.75%
45-49	3.50%
50-54	3.25%
55+	3.00%

Future Increases in Social Security

4.000%

Future Increases in Maximum Benefits and Plan Compensation/Salary Limitations

It is assumed that maximum benefit and plan compensation limitations under the Internal Revenue Code will increase 3.500% per year in the future.

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods (cont.)

Plan Name: Telcordia Technologies, Inc. Pension Plan

EIN/PN: 22-2478398/002

Representative Termination Rates (not due to disability, retirement or mortality)

The rates at which participants are assumed to leave the Company by years of service are shown below:

Years of Service	Withdrawal Rate
0-1	21.00%
2	18.00%
3-4	15.00%
5-6	14.00%
7-9	11.00%
10-14	8.00%
15-19	7.00%
20-24	5.00%
25+	4.00%

Form of Payment

Cash Balance

Non-Retirement Eligible Participants 60% deferred lump sum
40% immediate lump sum

Retirement Eligible Participants 40% deferred lump sum
60% immediate lump sum

Traditional 50% single life annuity
25% joint & survivor 50% annuity
25% joint & survivor 100% annuity

Marriage

Cash Balance For purposes of valuing the pre-retirement surviving spouse's benefit, 100% of eligible male participants are assumed to be married and 100% of eligible female participants are assumed to be married. Male participants are assumed to be 3 years older than their spouses and female participants are assumed to be 3 years younger than their spouses

Traditional For purposes of valuing the pre-retirement surviving spouse's benefit, 70% of eligible male participants are assumed to be married and 70% of eligible female participants are assumed to be married. Male participants are assumed to be 3 years older than their spouses and female participants are assumed to be 3 years younger than their spouses.

Employees

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

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods (cont.)

Plan Name: Telcordia Technologies, Inc. Pension Plan

EIN/PN: 22-2478398/002

Plan Compensation

Compensation assumed paid in the current year beginning on the valuation date is the current annual rate of pay plus the annual merit award and annual differential pay for the prior year increased with salary scale.

Asset Method

Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2011 plan year.)

Participant Data

Employee payroll data and data on persons receiving benefits was supplied electronically by Telcordia Technologies, Inc.

Tax Policy

The actuarial valuation performed for the plan year ending December 31, 2012 is used to determine the maximum deductible contribution for the tax year ending December 31, 2012.

Benefits Not Included in Valuation

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

Significant Events since Last Actuarial Valuation Report

Telcordia Technologies, Inc. was acquired by Ericsson Inc. in January 2012.

Changes in Assumptions and Methods Since Last Actuarial Valuation

The discount rates and mortality assumption were updated as required by law

TELCORDIA TECHNOLOGIES PENSION PLAN

FORM 5500 SCHEDULE H, PART IV, LINE 4j – SCHEDULE OF REPORTABLE TRANSACTIONS FOR THE YEAR ENDED DECEMBER 31, 2012

EIN 22-2478398
Plan number 002

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of loan)	(c) Tran Count	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
Category (iii): A series of transactions in the same security in excess of 5% of the current value of Plan Assets									
U.S. TREASURY	U.S. TREASURY BOND 4.375% 05/15/2041 DD 5/15/11	41	\$ 147,785,740	\$ -	\$ -	\$ -	\$ 147,785,740	\$ -	-
		44	-	159,919,497	-	-	156,871,400	159,919,497	3,048,096
U.S. TREASURY	U.S. TREASURY BONDS 3.750% 08/15/2041 DD 08/15/11	62	181,265,054	-	-	-	181,265,054	181,265,054	-
		54	-	172,392,910	-	-	171,143,257	172,392,910	1,249,653
U.S. TREASURY	U.S. TREASURY BONDS 3.125% 11/15/2041 DD 11/15/11	86	221,556,028	-	-	-	221,556,028	221,556,028	-
		79	-	209,404,013	-	-	209,214,609	209,404,013	189,404
U.S. TREASURY	U.S. TREASURY BONDS 2.750% 11/15/2042 DD 11/15/12	23	51,745,214	-	-	-	51,745,214	51,745,214	-
		16	-	46,699,378	-	-	47,030,711	46,699,378	(331,333)
U.S. TREASURY	U.S. TREASURY BONDS 2.000% 11/15/2021 DD 11/15/11	20	83,099,267	-	-	-	83,099,267	83,099,267	-
		20	-	83,631,995	-	-	83,344,154	83,631,995	287,841
U.S. TREASURY	U.S. TREASURY BONDS 2.000% 2/15/2022 DD 2/15/12	44	176,837,542	-	-	-	176,837,542	176,837,542	-
		40	-	177,923,671	-	-	176,837,542	177,923,671	1,086,128
U.S. TREASURY	U.S. TREASURY BONDS 1.625% 8/15/2022 DD 8/15/12	38	55,021,157	-	-	-	55,021,157	55,021,157	-
		36	-	55,175,281	-	-	55,021,157	55,175,281	154,125
BNY MELLON	EB TEMPORARY INVESTMENT FD 11	1068	446,059,459	-	-	-	446,059,459	446,059,459	-
		958	-	479,380,586	-	-	479,380,586	479,380,586	-

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). File as an attachment to Form 5500 or 5500-SF.	OMB No 1210-0110 2012 This Form is Open to Public Inspection
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>		

▶ Round off amounts to nearest dollar.

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

A Name of plan <u>Telcordia Technologies Pension Plan</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>Telcordia Technologies, Inc.</u>	D Employer Identification Number (EIN) <u>22-2478398</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other	
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information			
1	Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2012</u>		
2	Assets:		
	a Market value	2a	1,964,894,094
	b Actuarial value	2b	1,889,580,250
3	Funding target/participant count breakdown:	(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	1,027,101,060
	b For terminated vested participants	3b	297,417,081
	c For active participants:		
	(1) Non-vested benefits	3c(1)	71,922,978
	(2) Vested benefits	3c(2)	333,195,841
	(3) Total active	3c(3)	405,118,819
	d Total	3d	1,729,636,960
4	If the plan is in at-risk status, check the box and complete lines (a) and (b). ☐		
	a Funding target disregarding prescribed at-risk assumptions	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5	Effective interest rate	5	5.23
6	Target normal cost	6	21,855,983

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

SIGN HERE	<u>BK Poulos</u> Bryan K. Poulos Signature of actuary	<u>9-16-13</u> Date
	<u>Bryan K Poulos</u> Type or print name of actuary	<u>11-04227</u> Most recent enrollment number
	<u>Towers Watson Delaware Inc.</u> Firm name	<u>(214) 530-4200</u> Telephone number (including area code)
	<u>Dallas TX 75201</u> Address of the firm	

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

Part II Beginning of Year Carryover Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	3,192,484	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	3,192,484	0
10	Interest on line 9 using prior year's actual return of 9.59%	306,159	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b Interest on (a) using prior year's effective interest rate of 5.83% except as otherwise provided (see instructions)		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	3,498,643	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	109.04 %
15	Adjusted funding target attainment percentage	15	109.24 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	110.74 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c) 0

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

a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date.	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.	19c	0

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21 Discount rate:****a Segment rates:**1st segment:
1.98 %2nd segment:
5.07 %3rd segment:
6.19 %☐ N/A, full yield curve used**b Applicable month (enter code):****21b**

0

22 Weighted average retirement age**22**

60

23 Mortality table(s) (see instructions)☐ Prescribed - combined☒ Prescribed - separate☐ Substitute**Part VI Miscellaneous Items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years**28**

0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)**29**

0

30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)**30**

0

Part VIII Minimum Required Contribution For Current Year**31** Target normal cost and excess assets (see instructions):**a Target normal cost (line 6)****31a**

21,855,983

b Excess assets, if applicable, but not greater than line 31a**31b**

21,855,983

32 Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment

0

0

b Waiver amortization installment

0

0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount.**33**

0

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).**34**

0

Carryover balance

Prefunding balance

Total balance

35 Balances elected for use to offset funding requirement.

0

0

0

36 Additional cash requirement (line 34 minus line 35).**36**

0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).**37**

0

38 Present value of excess contributions for current year (see instructions)**a Total (excess, if any, of line 37 over line 36)****38a**

0

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances**38b**

0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).**39**

0

40 Unpaid minimum required contributions for all years**40**

0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**41** If an election was made to use PRA 2010 funding relief for this plan:**a Schedule elected**☐ 2 plus 7 years☐ 15 years**b Eligible plan year(s) for which the election in line 41a was made**☐ 2008☐ 2009☐ 2010☐ 2011**42** Amount of acceleration adjustment**42****43** Excess installment acceleration amount to be carried over to future plan years**43**

Schedule SB, Statement by Enrolled Actuary
Plan Name: Telcordia Technologies, Inc. Pension Plan
EIN/PN: 22-2478398/002

Valuation Date January 1, 2012

Enrolled Actuary Bryan Poulos

Enrollment Number 11-04227

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Schedule SB, Line 22 – Description of Weighted Average Retirement Age
Plan Name: Telcordia Technologies, Inc. Pension Plan
EIN/PN: 22-2478398/002

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

Traditional Participants						Cash Balance Participants					
x	q_x^r	l_x	${}_{x-50}P_{50} = l_x / l_{50}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$	q_x^r	l_x	${}_{x-55}P_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$	
50	5.00%	100,000	1.000000	0.050000	2.5000000	5.00%	1,000,000	1.000000	0.050000	2.500000	
51	5.00%	95,000	0.950000	0.047500	2.4225000	5.00%	950,000	0.950000	0.047500	2.422500	
52	5.00%	90,250	0.902500	0.045125	2.3465000	5.00%	902,500	0.902500	0.045125	2.346500	
53	5.00%	85,738	0.857375	0.042869	2.2720438	5.00%	857,375	0.857375	0.042869	2.272044	
54	5.00%	81,451	0.814506	0.040725	2.1991669	5.00%	814,506	0.814506	0.040725	2.199167	
55	10.00%	77,378	0.773781	0.077378	4.2557952	5.00%	773,781	0.773781	0.038689	2.127898	
56	10.00%	69,640	0.696403	0.069640	3.8998559	5.00%	735,092	0.735092	0.036755	2.058257	
57	10.00%	62,676	0.626763	0.062676	3.5725466	5.00%	698,337	0.698337	0.034917	1.990261	
58	10.00%	56,409	0.564086	0.056409	3.2717006	5.00%	663,420	0.663420	0.033171	1.923919	
59	10.00%	50,768	0.507678	0.050768	2.9952983	5.00%	630,249	0.630249	0.031512	1.859236	
60	10.00%	45,691	0.456910	0.045691	2.7414594	5.00%	598,737	0.598737	0.029937	1.796211	
61	15.00%	41,122	0.411219	0.061683	3.7626531	10.00%	568,800	0.568800	0.056880	3.469681	
62	15.00%	34,954	0.349536	0.052430	3.2506855	10.00%	511,920	0.511920	0.051192	3.173905	
63	15.00%	29,711	0.297106	0.044566	2.8076485	10.00%	460,728	0.460728	0.046073	2.902587	
64	15.00%	25,254	0.252540	0.037881	2.4243822	10.00%	414,655	0.414655	0.041466	2.653794	
65	30.00%	21,466	0.214659	0.064398	4.1858475	30.00%	373,190	0.373190	0.111957	7.277200	
66	30.00%	15,026	0.150261	0.045078	2.9751716	30.00%	261,233	0.261233	0.078370	5.172410	
67	30.00%	10,518	0.105183	0.031555	2.1141750	30.00%	182,863	0.182863	0.054859	3.675546	
68	30.00%	7,363	0.073628	0.022088	1.5020109	30.00%	128,004	0.128004	0.038401	2.611283	
69	30.00%	5,154	0.051540	0.015462	1.0668695	30.00%	89,603	0.089603	0.026881	1.854779	
70	100.00%	3,608	0.036078	0.036078	2.5254373	100.00%	62,722	0.062722	0.062722	4.390536	
subset weighted average					59.09175						60.67771175
subset participant count					460						1640
Weighted Average											60

Schedule SB, Part V – Summary of Plan Provisions
Plan Name: Telcordia Technologies, Inc. Pension Plan
EIN/PN: 22-2478398/002

Plan Sponsor

Ericsson, Inc.

Effective Date and Most Recent Amendment

The plan was originally effective January 1, 1984. The plan was restated effective as of January 1, 2007.

Plan Year

The twelve-month period ending December 31.

Coverage and Participation

Attainment of age 21 with completion of 1,000 hours within a 12-month period of employment. For all employees who became participants on or after January 1, 2002 and for employees who were participants prior to January 1, 2002 and elected the cash balance formula, all benefit accruals after January 1, 2002 are made under the cash balance formula.

Credited Service

Years and months of service as a covered employee.

Vesting Service

A year of vesting service is defined as twelve months of service after the attainment of age 18.

Compensation

Base pay plus differential pay, lump sum merit payments and corporate team awards with the total limited by IRC section 401(a)(17).

Final Average Compensation

Average annual compensation for the highest paid 60 consecutive months out of the last 120 months.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Plan Name: Telcordia Technologies, Inc. Pension Plan

EIN/PN: 22-2478398/002

Integration Level

Average of the Social Security Taxable Wage Bases for the five calendar years immediately preceding the year of retirement, termination, or death.

Normal Retirement Benefit

Normal Retirement Date: The later of a participant's 65th birthday and the fifth anniversary of the participant's initial participation in the Plan.

Cash Balance

Cash balance account equal to the sum of:

- (i) Opening Account Balance (if applicable)
- (ii) Pay Credits
- (iii) Interest Credits

Opening Account Balance: For those employees who elected the cash balance formula, the single sum equivalent of the accrued benefit under the Telcordia Technologies, Inc. Pension Plan as of December 31, 2001, payable as an unreduced single life annuity commencing on the later of the participant's attainment of age 58 and his age as of December 31, 2001.

Pay Credit: As of the last day of each calendar month beginning on and after January 1, 2002, a pay credit will be added to the cash balance account of each participant who receives compensation at any time during the calendar month. The pay credit is equal to the participant's compensation for the month multiplied by the pay credit percentage in the table below:

Years of Service	Prior to August 1, 2006	After August 1, 2006
Less than 5	4.00%	3.00%
5-9	5.00%	4.00%
10-14	6.00%	5.00%
15-19	8.00%	6.00%
20+	10.00%	7.00%

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Plan Name: Telcordia Technologies, Inc. Pension Plan

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Interest Credit: An interest credit is added to each participant's cash balance account as of the last day of each calendar month. It is equal to the account balance as of the first day of the month multiplied by $1/12^{\text{th}}$ of the annual yield on 30-year Treasury bonds as of the middle calendar month of the calendar quarter immediately preceding the calendar quarter containing the month for which an investment credit is made. The minimum compounded annual rate of investment credit is 4.01%.

Employees are entitled to a minimum benefit equal to the benefit accrued under the final average pay plan as of December 31, 2001, subject to the early retirement subsidies then available under the plan.

Normal Form of Benefit: Life annuity if single, otherwise benefits are reduced 18% plus 0.4% for each year benefits commence prior to age 50 and paid in the form of a 100% joint & survivor annuity option. In the event that the covered spouse predeceases the participant, the monthly pension amount is restored to the full amount prior to the reduction.

Traditional

Monthly Benefit: Equal to $1/12$ of:

- (i) 1.4% of final average earnings up to the integration level times pension service through July 31, 2006
plus
- (ii) 1.5% of final average earnings in excess of the integration level times pension service through July 31, 2006
plus
- (iii) 1.1% of final average earnings times pension service after July 31, 2006

Normal Form of Benefit: Life annuity if single, otherwise benefits are reduced 18% and paid in the form of a 100% joint & survivor annuity option. In the event that the covered spouse predeceases the participant, the monthly pension amount is restored to the full amount prior to the 18% reduction.

Late Retirement

If retirement occurs after the normal retirement date, the late retirement income will be the normal retirement benefit calculated using credited service and final average monthly compensation as of the late retirement date.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Plan Name: Telcordia Technologies, Inc. Pension Plan

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Accrued Benefits

The participant's accrued benefit at any given date is determined under the normal retirement formula(s) shown above, but is based on current pension service, final average compensation, and integration level.

Early Retirement Benefit (Service Pension)

Eligibility: The earliest of the following:

- Age 65 and 10 years of credited service
- Age 55 and 20 years of credited service
- Age 50 with 25 years of credited service
- Any age with 30 years of credited service

Benefit: For the traditional formula only, the benefit is reduced by 0.5% (0.25% if the participant has 30 or more years of pension service at retirement) for each month or partial month by which the participant's retirement age is less than 55. If a participant leaves before eligibility for early retirement, the participant may be eligible for a vested pension but will not be considered in receipt of a "Service Pension".

Disability Benefit

Only for the traditional formula participants will 15 or more years of net credited service, after 52 weeks of disability benefits (from the LTD plan) the accrued benefit is payable unreduced, less any worker's compensation benefits.

Vested Benefits Upon Termination of Service

Vesting: 20% per year of vesting service for the first two years, then 100% vested after 3 years.

Termination Benefit: Accrued benefit payable at normal retirement date. A benefit may be payable as early as age 55 for participants with at least 20 years of service or age 50 for participants with 25 years of service. Benefits commencing prior to normal retirement are actuarially reduced.

Schedule SB, Part V – Summary of Plan Provisions (cont.)

Plan Name: Telcordia Technologies, Inc. Pension Plan

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Death Benefits for Participants in Active Service

Death Benefit Eligibility: 5 years of vesting service

Death Benefit: For traditional formula participants, 50% of the accrued benefit as of the date of death. If the participant had at least 15 years of credited service, the benefit is payable immediately and unreduced, otherwise, the benefit is payable when the participant would have reached age 65. For cash balance formula participants, the account balance is payable immediately as a lump sum.

1991 Death Benefit Eligibility: For employees active as of December 31, 1991, if death occurs after illness or by any other than on-the-job accident.

1991 Death Benefit: One year of base pay as of December 31, 1991.

Special Pensioner Death Benefit Eligibility: Traditional formula participants hired prior to 1992 who retired from active employment.

Special Pensioner Death Benefit: A maximum amount of one year's wages earned in the earlier of the year preceding the last day of active service before retirement or 1991. Wages are the base rate of pay as of December 31, 1991 plus any other pensionable compensation received during 1991.

Supplemental Pension Benefit Eligibility: Service Pension eligible participants who have terminated as of October 2010.

Supplemental Pension Benefit: Starting January 1, 2012, the benefit is based on the monthly pension benefit as indicated in the schedule below.

If the participant's monthly pension benefit is:	Then the participant's supplemental benefit is:	
	Commencement Before 01/01/1994	Commencement After 01/01/1994
Less than \$1000	\$125	\$100
\$1000-\$1,999	\$100	\$75
At least \$2,000	\$75	\$50

Optional Forms of Retirement Income in Lieu of Normal Form

The plan provides optional payment forms, including the joint and survivor 50% annuity for married employees, on an actuarially equivalent basis for traditional participants not eligible for a Service Pension, or reduced by 10% for Service Pension eligible traditional participants. Cash balance participant's benefits are reduced by 10% plus 0.2% for each year benefits commence prior to age 50 for the joint and survivor 50% annuity. Lump-sum distributions are allowed for cash balance participants.

Schedule SB, Part V – Summary of Plan Provisions (cont.)**Plan Name: Telcordia Technologies, Inc. Pension Plan****EIN/PN: 22-2478398/002****Pension Increases**

None.

Plan Participants' Contributions

They are not required or permitted.

Changes in Plan Provisions since Last Actuarial Valuation Report

None.