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 12/01/2012 and ending 11/30/2013

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
RAYTHEON BARGAINING RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 022

1c Effective date of plan 12/17/1997

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

RAYTHEON COMPANY

870 WINTER STREET
WALTHAM, MA 02451-1449

2b Employer Identification Number (EIN) 95-1778500

2c Sponsor's telephone number 781-522-3000

2d Business code (see instructions) 335900

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	09/12/2014	DEBORAH A. TULLY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/12/2014	DEBORAH A. TULLY
	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

DEBORAH A. TULLY RAYTHEON COMPANY

870 WINTER STREET
WALTHAM, MA 02451-1449

3b Administrator's EIN
95-1778500

3c Administrator's telephone number
781-522-5080

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**	10908
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**	2461
b	Retired or separated participants receiving benefits	**6b**	3679
c	Other retired or separated participants entitled to future benefits	**6c**	3774
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	9914
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	604
f	Total. Add lines **6d** and **6e**	**6f**	10518
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1A 1G

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

9a Plan funding arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)	☐	General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

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

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

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 12/01/2012 and ending 11/30/2013

▶ **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
RAYTHEON BARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 022

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

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

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

Part I Basic Information

1	Enter the valuation date: Month 12 Day 01 Year 2012			
2	Assets:			
	a Market value	2a		613450490
	b Actuarial value	2b		600830751
3	Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	3a	3929	250548203
	b For terminated vested participants	3b	4122	53066622
	c For active participants:			
	(1) Non-vested benefits	3c(1)		63864763
	(2) Vested benefits	3c(2)		197030942
	(3) Total active	3c(3)	2857	260895705
	d Total	3d	10908	564510530
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		6.78 %
6	Target normal cost	6		11451649

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

Signature of actuary

Date

JONATHAN R. BARRY, F.S.A.

14-06048

Type or print name of actuary

Most recent enrollment number

MERCER

617-747-9500

Firm name

Telephone number (including area code)

99 HIGH STREET
BOSTON, MA 02110-2320

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)	22159080	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	22159080	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 11.51%		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		25343019
	b Interest on (a) using prior year's effective interest rate of 5.01% except as otherwise provided (see instructions)		2710025
	c Total available at beginning of current plan year to add to prefunding balance		28053044
	d Portion of (c) to be added to prefunding balance		18329974
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	18329974

Part III Funding Percentages

14	Funding target attainment percentage	14	103.18 %
15	Adjusted funding target attainment percentage	15	106.43 %
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	93.55 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/15/2012		78188	06/15/2013		75949
01/15/2013		81667	07/15/2013		71326
02/15/2013		75108	08/15/2013		70548
03/15/2013		74920	09/03/2013	2734000	
04/15/2013		72099	09/15/2013		69585
05/15/2013		106809	10/15/2013		68396
			Totals ► 18(b)	2734000	18(c) 937957

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	2601689

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

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

Part II Beginning of Year Carryover Prefunding Balances

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

Part III Funding Percentages

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

Part IV Contributions and Liquidity Shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
11/15/2013		93362			
			Totals ► 18(b)		18(c)

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

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

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

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

21 Discount rate:

a Segment rates:

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

b Applicable month (enter code)	**21b**	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**	11451649
b Excess assets, if applicable, but not greater than line 31a	**31b**	11451649

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

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

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	18329974	18329974

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**	2601689
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	2601689
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)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**2012** **This Form is Open to Public Inspection.**

For calendar plan year 2012 or fiscal plan year beginning 12/01/2012 and ending 11/30/2013

A Name of plan
RAYTHEON BARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 022

C Plan sponsor's name as shown on line 2a of Form 5500
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

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

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

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

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

XEROX BUSINESS SERVICES, LLC

51-0310342

(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?
13	NONE	587266	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

THE BANK OF NEW YORK MELLON

13-5160382

(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?
21	NONE	96606	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

PRICEWATERHOUSECOOPERS LLP

13-4008324

(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	NONE	87000	Yes [ ] No [X]	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)

MERCER

13-2834414

(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	NONE	79170	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

DELOITTE LLP

13-6044173

(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?
16	NONE	18452	Yes [ ] No [X]	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

(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

(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

(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

(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

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

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

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

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 12/01/2012 and ending 11/30/2013

A Name of plan
RAYTHEON BARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 022

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

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

a Name of MTIA, CCT, PSA, or 103-12 IE: RAYTHEON MASTER PENSION TRUST

b Name of sponsor of entity listed in (a): THE BANK OF NEW YORK MELLON

c EIN-PN 04-3172773-001	**d** Entity code M	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 639578877

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

a Plan name

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

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 12/01/2012 and ending 11/30/2013

A Name of plan
RAYTHEON BARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 022

C Plan sponsor's name as shown on line 2a of Form 5500
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

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)	18670000	
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	595120515	639578877
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	613790515	639578877
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	28885	82051
i Acquisition indebtedness	1i		
j Other liabilities	1j	302384	390828
k Total liabilities (add all amounts in lines 1g through1j)	1k	331269	472879
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	613459246	639105998

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)	2734000	
(B) Participants	2a(1)(B)	937957	
(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)		3671957
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		85380604
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		89052561
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	62108779	
(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)		62108779
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	1297030	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		1297030
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		63405809
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		25646752
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) [X] Unqualified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

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

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

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

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		20000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

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

OMB No. 1210-0110

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 12/01/2012 and ending 11/30/2013

A Name of plan
RAYTHEON BARGAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 022

C Plan sponsor's name as shown on line 2a of Form 5500
RAYTHEON COMPANY

D Employer Identification Number (EIN)
95-1778500

Part I Distributions

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

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

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

EIN(s): 13-5160382

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** 9

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

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

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

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: 25% Investment-Grade Debt: 27% High-Yield Debt: 3% Real Estate: 2% Other: 43%

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):



Independent Auditor's Report

To the Participants and Administrator of Raytheon Bargaining Retirement Plan

We have audited the accompanying financial statements of Raytheon Bargaining Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of November 30, 2013 and November 30, 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

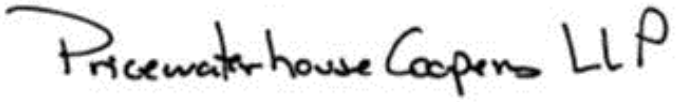
Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of November 30, 2013 and changes therein for the year then ended and its financial status as of November 30, 2012, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Boston, Massachusetts
September 11, 2014

SCHEDULE SB (Form 5500)	Single-Employer Defined Benefit Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.	2012 This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 12/01/2012 and ending 11/30/2013

▶ **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	B Three-digit plan number (PN) ▶	
Raytheon Bargaining Retirement Plan		022
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF	**D** Employer Identification Number (EIN)	
Raytheon Company	95-1778500	

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

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

Part I Basic Information

1 Enter the valuation date: Month 12 Day 1 Year 2012

2 Assets:			
a Market value	2a		613,450,490
b Actuarial value	2b		600,830,751
3 Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	3,929	250,548,203
b For terminated vested participants	3b	4,122	53,066,622
c For active participants:			
(1) Non-vested benefits	3c(1)		63,864,763
(2) Vested benefits	3c(2)		197,030,942
(3) Total active	3c(3)	2,857	260,895,705
d Total	3d	10,908	564,510,530
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		6.78 %
6 Target normal cost	6		11,451,649

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

Jonathan Barry (JB) — Signature of actuary

August 28, 2014 — Date

Jonathan R. Barry, F.S.A. — Type or print name of actuary

14-06048 — Most recent enrollment number

Mercer — Firm name

(617) 747-9500 — Telephone number (including area code)

99 High Street

Boston MA 02110-2320 — 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)	22,159,080	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	22,159,080	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 11.51 %		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		25,343,019
	b Interest on (a) using prior year's effective interest rate of 5.01 % except as otherwise provided (see instructions)		2,710,025
	c Total available at beginning of current plan year to add to prefunding balance		28,053,044
	d Portion of (c) to be added to prefunding balance		18,329,974
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	18,329,974

Part III Funding Percentages

14	Funding target attainment percentage	14	103.18 %
15	Adjusted funding target attainment percentage	15	106.43 %
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	93.55 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/15/2012		78,188	06/15/2013		75,949
01/15/2013		81,667	07/15/2013		71,326
02/15/2013		75,108	08/15/2013		70,548
03/15/2013		74,920	09/03/2013	2,734,000	
04/15/2013		72,099	09/15/2013		69,585
05/15/2013		106,809	10/15/2013		68,396
			Totals ▶ 18(b)	2,734,000	18(c) 937,957

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	2,601,689

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year

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

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

21 Discount rate:

a Segment rates:

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

b Applicable month (enter code)	21b	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	11,451,649
b Excess assets, if applicable, but not greater than line 31a	31b	11,451,649

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

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

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	18,329,974	18,329,974

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	2,601,689

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	38a	2,601,689
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	

Continuation of 2012 Form 5500
Schedule SB, line 18 - Contributions Made to the Plan for the Plan Year

Plan Name Raytheon Bargaining Retirement Plan **EIN:** 95-1778500
Plan Sponsor's Name Raytheon Company **PN:** 022

(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
11/15/2013		93,362			

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The percentage of employees expected to retire at each potential age is shown below. The average retirement age is 59.50 (33% * 61.53 + 67% * 58.49).

Basic Rates

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	6.26%	10,000	626	34,430
56	5.81%	9,374	545	30,499
57	5.37%	8,829	474	27,026
58	5.67%	8,355	474	27,477
59	5.99%	7,881	472	27,854
60	7.69%	7,409	570	34,187
61	13.90%	6,840	951	57,993
62	22.51%	5,889	1,326	82,187
63	29.69%	4,563	1,355	85,355
64	42.96%	3,208	1,378	88,215
65	67.76%	1,830	1,240	80,605
66	48.66%	590	287	18,949
67	44.99%	303	136	9,131
68	63.96%	167	107	7,247
69	99.99%	60	60	4,143
Total				615,300
Average				61.53

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Rule of 75

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	10.00%	10,000	1,000	55,000
56	15.00%	9,000	1,350	75,600
57	20.00%	7,650	1,530	87,210
58	25.00%	6,120	1,530	88,740
59	30.00%	4,590	1,377	81,243
60	35.00%	3,213	1,125	67,473
61	40.00%	2,088	835	50,958
62	60.00%	1,253	752	46,614
63	50.00%	501	251	15,789
64	50.00%	251	125	8,020
65	50.00%	125	63	4,072
66	50.00%	63	31	2,068
67	50.00%	31	16	1,049
68	50.00%	16	8	533
69	50.00%	8	4	270
70	100.00%	4	4	274
Total				584,913
Average				58.49

Schedule SB, Part V — Summary of Plan Provisions

Summary of Major Plan Provisions

Effective date and plan year	The Raytheon Bargaining Retirement Plan was established December 17, 1997 when Raytheon Company acquired the Defense Business of Hughes Electronics Corporation. Effective December 31, 2002, the Pension and Retirement Plan for Local 6-0254 of PACE merged into the Raytheon Bargaining Retirement Plan. Plan Year: December 1

Plan Provisions

Status of the plan	The plan has ongoing benefit accruals.
Significant events that occurred during the year	None.
Participation Date	Completion of 12 months of Vesting Service.
Vesting Service	Continuous service from the employee's date of hire
Credited Service	Total service accrued monthly from first of the month eligibility commenced.
Compensation	Basic compensation subsequent to the effective date of the plan and prior to retirement date, including regular pay, bonuses, results-sharing, overtime pay, shift differential, sick leave pay, workers' compensation, vacation and holiday pay, and bereavement or personal leave pay, but excluding any other extraordinary compensation.
Final Average Compensation	The aggregate Compensation prior to separation from service attributed to the five highest consecutive twelve-month periods in the last ten years, or all consecutive twelve-month periods if less than five, in which a Participant had at least one hour of Benefit Accrual Service each month, divided by the applicable number of twelve-month periods.
Contributions	3.0% of pay if covered under the formula for contributing participants.
Social Security Normal Retirement Age	For a participant born prior to 1938, the first day of the calendar month coincident with or next following his/her sixty-fifth (65th) birthday, For a participant born after 1937 and before 1955, the first day of the calendar month coincident with or next following his/her sixty-sixth (66th) birthday, For a participant born after 1954, the first day of the calendar month coincident with or next following his/her sixty-seventh (67th) birthday.

Schedule SB, Part V — Summary of Plan Provisions

Actuarial Equivalence	**Contributing and noncontributing participants:** Based on the following subject to "applicable interest rate" and "applicable mortality table" pursuant to Section 417(e)(3)(A)(ii) of the Internal Revenue Code for benefits that are not payable in the form of a nondecreasing annuity: interest rate used by the PBGC for valuing immediate annuities on the October 1st (or December 1st, if less) preceding the plan year including the annuity start date and the 1971 Group Annuity Mortality Table blended 80% males, 20% females. **General Dynamics employees:** Based on the following subject to "applicable interest rate" and "applicable mortality table" pursuant to Section 417(e)(3)(A)(ii) of the Internal Revenue Code for benefits that are not payable in the form of a nondecreasing annuity: • for nondecreasing annuities: 7% and the 1984 Uninsured Pension Mortality Table (including specified setbacks) and • for other forms of payment: interest rate used by the PBGC for valuing immediate annuities on the January 1st of the calendar year in which distributions commence and the 1984 Uninsured Pension Mortality Table (including specified setbacks).

Schedule SB, Part V — Summary of Plan Provisions

Normal retirement	
• Eligibility	First of the month coinciding with or next following the attainment of age 65.
• Benefit	**Contributing participants**: The benefit is the greatest of (i), (ii) or (iii) below: (i) Accrued benefit through December 31, 1975 plus 1% of the first $3,600 of compensation and 2% of compensation in excess of $3,600, for all compensation received after December 31, 1975 (ii) The product of (1) and (2): (1) Benefit Accrual Service (2) $156 plus 0.5% of Final Average Compensation (iii) The result of (1) less (2): (1) The product of Benefit Accrual Service and 1.75% of Final Average Compensation (2) The product of Benefit Accrual Service (maximum 33-1/3 years) and 1.5% of Primary Insurance Amount **Noncontributing participants**: The greater of Benefit A offset by Benefit B, and Benefit C, where: (i) Benefit A equals the sum of: (1) 1.5% of Final Average Compensation multiplied by years of Benefit Accrual Service (not in excess of 35 years) (2) 0.5% of Final Average Compensation multiplied by years of Benefit Accrual Service in excess of 35 years (ii) Benefit B equals 0.6% of Final Average Compensation (not in excess of Covered Compensation) multiplied by years of Benefit Accrual Service (not in excess of 35 years) (iii) Benefit C equals the product of Benefit Accrual Service and the following, based upon the participant's group: • IAM 933 (Missile Systems, Tucson): $480 beginning on January 9, 2013 (previously $444) • IAM Lodge 933 (Firefighters): $432 beginning February 19, 2011 (previously $384) • EAST Local 1553: $384 beginning July 1, 2008, $396 beginning July 1, 2009, $408 beginning July 1, 2010, and $468 beginning July 1, 2011. **General Dynamics employees**: The benefit is equal to product of Benefit Accrual Service and $348.

Schedule SB, Part V — Summary of Plan Provisions

Early retirement	
• Eligibility	Age 55 and 5 years of Vesting Service.
• Benefit	**Contributing participants**: Actuarial equivalent of Normal Retirement benefit unless eligible for unreduced benefit under Rule of 75 (the sum of attained age and continuous service is at least 75.). Actuarial equivalence for this purpose is based on the interest rate used by the PBGC for valuing immediate annuities on the October 1st preceding the plan year (or on the first day of the plan year, if less) including the annuity start date and the 1971 Group Annuity Mortality Table blended 80% males, 20% females. **Noncontributing participants**: Accrued Benefit determined as of Normal Retirement, reduced 6% per year prior to Social Security Normal Retirement Age. Unreduced early retirement available three years prior to Social Security Normal Retirement Age with ten years of continuous service. **General Dynamics employees**: If eligible, unreduced benefit (later of age 62 and 10 years of continuous service or satisfaction of required 85 points based on sum of attained age and continuous service). If not eligible for unreduced benefit, accrued benefit reduced by the lesser of 3% times excess of required over actual points and 3% per year prior to Normal Retirement.
Postponed Retirement	
• Benefit	Normal Retirement Benefit determined as of actual retirement date.
Termination with Deferred Vested Benefit	
• Eligibility	Termination for reasons other than death or retirement after completing five years of Vesting Service.
• Benefit	Benefit accrued to date of termination payable at age 65 or the actuarial equivalent as described in the "Early Retirement" section above, payable for commencement after age 55 and prior to age 65.
Death Benefits	
• Eligibility	5 years of Vesting Service.
• Benefit	Benefit accrued to date of death, calculated as if the participant had retired at the earliest retirement age and elected the 50% contingent annuitant option or, if already eligible for early retirement, elected to retire and had elected the 100% contingent annuitant option on the day before death. The benefit is actuarially reduced with benefit payments to the spouse commencing on the date when the participant would have become eligible for retirement benefits.

Schedule SB, Part V — Summary of Plan Provisions

Form of Benefits	
• Automatic form for unmarried participants	Single Life Annuity
• Automatic form for married participants	50% contingent annuitant option
• Optional forms	The participant may elect another actuarially equivalent optional form offered by the plan if the spouse consents, or if the participant has no spouse as of the date payment begins. Optional forms are a 50%, 66-2/3%, 75%, or 100% contingent annuity, a 5-, 10-, or 15-year period and continuous, 5-, 10-, or 15- year period certain only, temporary modified cash refund options, Social Security leveling options or (for married Participants) a life annuity.
Cost of Living	Automatic cost-of-living adjustments of up to 4.0% are payable on retirement benefits after age 55 for contributing participants.
Unpredictable contingent event benefits	N/A
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2012, the limit is $250,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2012, the limit is $200,000.

Schedule SB, Part V — Summary of Plan Provisions

Former Pension and Retirement Plan for Local 6-0254 of PACE Provisions

Eligibility	Every member of the Magnavox Plan who became an employee of the Company on October 22, 1993, is eligible to participate. Other employees are eligible as of the date of entry into Local 6-0254 of PACE.
Definitions	
• Years of Service	Completion of 1,000 hours of service within a plan year.
• Credited Service	Prior to September 1, 1967, elapsed time from date of hire according to the following table:

Months of Employment in Calendar Year	Credited Service
1	0.1 year
2	0.2 year
3	0.3 year
4	0.4 year
5-6	0.5 year
7-8	0.6 year
9	0.7 year
10	0.8 year
11	0.9 year
12	1.0 year

Subsequent to September 1, 1967, for plan years ending prior to January 1, 1982, 1 full year of credited service for each plan year of 1,680 or more hours; and a fractional year for each plan year of less than 1,680 hours on the basis of 1/10 of a year for each unit of 168 hours. For plan years beginning on or after January 1, 1982, 1 full year of credited service for each plan year of 1,640 or more hours; and a fractional year for each plan year of less than 1,640 hours on the basis of 1/10 of a year for each unit of 164 hours. Hours worked include overtime hours. Credited service is frozen effective April 14, 1997.

Magnavox Plan	The Magnavox Company and the Magnavox Government and Industrial Electronics Company Hourly Pension and Retirement Plan covering Local 254A of the Allied Industrial Workers of America.
Actuarial Equivalence	Based on the 1984 Unisex Pension Mortality Table and the PBGC interest rates in effect on January 1 of the plan year.

Schedule SB, Part V — Summary of Plan Provisions

Normal Retirement	
• Eligibility	Age 65 and 5 years of service.
• Benefit	A monthly benefit of $22 for each year of credited service less the Actuarial Equivalent of the normal retirement benefit accrued under the Magnavox Plan through October 21, 1993. Effective April 14, 1997, credited service is frozen. The Actuarial Equivalent amount of offset benefit is calculated as if payments under the Magnavox Plan commenced on the earlier of the date of actual commencement under the Magnavox Plan or the date payments commenced under this plan.
Early Retirement	
• Eligibility	Age 55 and 5 years of service.
• Benefit	The accrued retirement benefit reduced by 3/10 of 1% for each month that retirement precedes age 65. This benefit is unreduced if the sum of age and years of credited service is at least 85.
Deferred Vested Retirement	
• Eligibility	5 years of service.
• Benefit	Computed in the same manner as the early retirement benefit, payable at age 65 or reduced and payable after age 55 as an early retirement benefit.
Disability	
• Eligibility	Total and permanent disability and 10 years of service.
• Benefit	A monthly benefit equal to the normal retirement benefit, payable immediately with no reduction for early commencement.
Pre-Retirement death benefit	
• Eligibility	Vested participant who dies prior to annuity start date.
• Benefit	A monthly benefit payable to the surviving spouse equal to the amount the spouse would have received if the participant had retired on the date of death and elected a 50% joint and survivor annuity. Benefit payments commence when the participant would have attained age 55.

Schedule SB, Part V — Summary of Plan Provisions

Post-Retirement death benefit	
• Eligibility	Death while receiving normal, early, or disability retirement benefits.
• Benefit	$4,000
Form of Benefits	
• Automatic form for unmarried participants	Single Life Annuity
• Automatic form for married participants	50% Joint and Survivor annuity equivalent to the Single Life Annuity.
• Optional forms	Participants may also take their benefit as a 10-year Certain and Continuous Annuity determined based on the actuarial equivalence stated above.

Schedule SB, Part V — Summary of Plan Provisions

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan are included in this valuation

- **Most recent plan amendments included:** January 9, 2013 which increased the minimum benefit multiplier from $37 to $40 per month for IAM933 – Missiles Systems (Tucson)
- **Plan amendments excluded:** None
- **Late retirement increases:**
  - *Deferred vested participants:* Current deferred vested participants over normal retirement age are not valued including the late retirement actuarial increase.
- *Internal Revenue Code limitations:* The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- *IRC Section 416 rules for top-heavy plans:* We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60 percent of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.
- **IRC Section 436 benefit restrictions:**
  - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
  - *Plan amendments:* See above.
  - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
  - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan Provision Changes Since Prior Valuation

- Maximum compensation and benefit limits were updated from 2011 to 2012.
- The benefit multiplier for the minimum benefit for IAM933 – Missile Systems (Tucson) was updated from $37.00 to $40.00 per month.

Schedule SB, line 25 — Change in Method

Method Changes Since Prior Valuation

Funding

The valuation was performed on a new liability valuation system this year. This change did not materially affect liability amounts and qualifies for automatic IRS approval.

There were no other changes in methods since the last valuation.

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial Assumption Changes Since Prior Valuation

Funding

- Mortality and interest rates were updated from 2011 to 2012 in accordance with PPA.
- Expense load on the normal cost increased from $1,279,394 to $1,340,352 to reflect our expectations for the current plan year.
- The form of payment for contributing participants for the 2012 plan year was updated from 20% Single Life and 80% 5-year Certain Only to 10% Single Life and 90% 5-year Certain Only.
- Actuarial equivalence for the certain only form of payment was changed to be based on either:
  - PBGC interest rate of 0.75% in 2013, 1.75% in 2014 and 2.75% thereafter (1.50% in 2012, 2.25% in 2013 and 3.00% thereafter in the prior valuation) and 1971 Group Annuity Mortality table (blended 80% males, 20% females), or
  - Segmented interest rates of 4.5% for 5 years, 5.5% for the next 15 years and 6.0% thereafter and the current year 417(e) unisex mortality

  whichever yields a larger lump sum.

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25			1								1
25–29	1	9	29 45,979	1							40
30–34	9	27 64,313	63 54,946	20 55,439							119
35–39	7	31 64,771	58 58,625	36 56,583							132
40–44	6	20 66,640	68 59,555	36 57,161	8	2					140
45–49	15	60 88,237	107 62,812	88 61,425	75 55,684	56 51,407	25 57,027	1			427
50–54	46 102,796	119 98,247	159 65,574	135 64,494	113 63,192	103 58,698	119 56,059	18			812
55–59	40 109,935	104 95,792	128 63,331	130 61,689	106 60,889	60 63,238	60 62,598	28 62,839	1		657
60–64	14	43 83,341	74 58,330	71 56,154	93 55,994	40 56,912	26 59,578	14	7		382
65–69	3	11	22 62,408	26 52,300	31 56,250	14	5	5	1	1	119
70 & up	1	2	4	8	7	3	3				28
Total	142	426	713	551	433	278	238	66	9	1	2,857

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial Assumptions for December 1, 2012 Funding Valuation

Discount rate sponsor elections		
• Segment rates or full yield curve	Segment	
• Look-back months	0	
• Use of stabilized rates - funding	Yes	
• Use of stabilized rates - Section 436 benefit restrictions	Yes	
	Stabilized rates	**Nonstabilized rates**
• First 5 years	5.54%	1.66%
• Next 15 years	6.85%	4.47%
• Over 20 years	7.52%	5.52%
Mortality sponsor elections		
• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.	
• Disabled active participants	Same as healthy	
• Disabled inactive participants	Same as healthy	
Other economic assumptions		
• Salary increases	See table of sample rates.	
• Social Security wage base	3.75% per year	
• Inflation	3.00% per year	
• Post-retirement cost-of-living adjustment	2.50% per year (Plan provides maximum COLA of 4.0%)	
• Interest accumulation on employee contributions	5.00% per year	
• Expected investment return	8.75% per year, but not greater than the 3rd segment rate in effect for each year (6.24% for 2011 and 6.45% for 2010)	
• Expenses	$1,340,352 added to current year normal cost	
• Actuarial equivalence for conversion to certain only forms of payment	The basis for valuation of certain only payments is based on either: • PBGC interest rates of 0.75% for 2013, 1.75% for 2014 and 2.75% thereafter and the 1971 Group Annuity Mortality table (blended 80% males, 20% females), or • Segmented interest rates of 4.5% for 5 years, 5.5% for the next 15 years and 6.0% thereafter and the current year 417(e) unisex mortality. whichever yields a larger certain only payment.	

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Demographic assumptions

- Withdrawal — See table of sample rates.
- Disability incidence
  - *Former Pension and Retirement Plan for Local 6-0254 of PACE* — 1985 Pension Disability Table for Class 3 Occupations for males and females (see table of sample rates)
  - *Other participants* — None assumed
- Retirement age

	Former Pension and Retirement Plan for Local 6-0254 of PACE	Raytheon Bargaining Retirement Plan Prior to Merger	
Attained age		**Basic**	**Rule of 75**
Under 55	0%	0%	0%
55	10.00%	6.26%	10.00%
56	5.00%	5.81%	15.00%
57	5.00%	5.37%	20.00%
58	5.00%	5.67%	25.00%
59	5.00%	5.99%	30.00%
60	5.00%	7.69%	35.00%
61	5.00%	13.90%	40.00%
62	30.00%	22.51%	60.00%
63	10.00%	29.69%	50.00%
64	10.00%	42.96%	50.00%
65	100.00%	67.76%	50.00%
66	100.00%	48.66%	50.00%
67	100.00%	44.99%	50.00%
68	100.00%	63.96%	50.00%
69	100.00%	99.99%	50.00%
70 and above	100.00%	100.00%	100.00%

- Benefit commencement age for
  - Future vested deferred — 65
  - Current vested deferred — 65
- Spouse assumptions

	Male participants	**Female participants**
Percentage married	85%	75%
Spouse age difference	3 years younger	3 years older

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Form of payment	**Single life**	**5-year Certain Only**	**10-year Certain Only**	**50% J&S**
Former Pension and Retirement Plan for Local 6-0254 of PACE	100%	0%	0%	0%
• Future deaths	0%	0%	0%	100%
Other participants				
• Active Noncontributing	50%	0%	50%	0%
• Active Contributing for 2012	10%	90%	0%	0%
• Active Contributing for 2013 and after	20%	80%	0%	0%
• Future vested deferred	100%	0%	0%	0%
• Future deaths[1]	0%	0%	0%	100%
• Current vested deferred	100%	0%	0%	0%
Unpredictable contingent event assumptions	N/A			

Table of Sample Rates

	Disability Incidence	
Attained Age	**Males**	**Females**
20	0.151%	0.089%
25	0.219	0.150
30	0.309	0.252
35	0.431	0.388
40	0.597	0.547
45	0.829	0.777
50	1.224	1.201
55	2.118	1.962
60	3.240	2.326
65	4.369	2.718
70	0.000	0.000

[1] If eligible for early retirement, death benefit valued is a 100% joint & survivor annuity.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

	Withdrawal Rates			
	Raytheon Bargaining Retirement Plan Prior to Merger		Former Pension and Retirement Plan for Local 6-0254 of PACE	
Attained Age	**Males**	**Females**	**Males**	**Females**
20	29.4%	46.9%	0.0%	0.0%
25	23.1	30.8	7.4	11.6
30	17.5	21.4	4.3	6.7
35	12.4	15.5	3.1	5.1
40	7.7	10.5	2.0	3.9
45	3.9	6.3	1.3	2.8
50	1.8	3.5	0.7	1.4
55	0.7	1.8	0.0	0.0
60	0.0	0.0	0.0	0.0

Attained Age	Salary Increases
20	7.05%
25	6.92
30	6.32
35	5.36
40	4.70
45	4.16
50	3.82
55	3.53
60	3.33
65	3.11

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial Methods for Funding

Asset methods – effective December 1, 2011

The asset valuation method is an average of the adjusted market value for each year during the last 24 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant methods – effective December 1, 2011

Participants or former participants are included or excluded from the valuation as described below:

- *Participants included:* ***Xerox HR Solutions, LLP*** provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- *Participants excluded:* No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.

  It is assumed that 100% of participants with deferred benefits over age 66 will not be located and will not commence benefits, as described in Section 5.12 of the plan document. In addition, for retirees who have elected a contingent annuitant form of payment and for whom no beneficiary data was provided, one-third of future beneficiaries are assumed to decease prior to receiving benefits.
- *Insurance contracts:* The plan does not have any insurance contracts.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Minimum funding methods – effective December 1, 2011

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.

- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.

- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Raytheon Bargaining Retirement Plan

Financial Statements
To Accompany 2012 Form 5500
Annual Report of Employee Benefit Plan
Under ERISA of 1974
November 30, 2013 and 2012

Raytheon Bargaining Retirement Plan
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The supplemental schedules to the Plan's Form 5500 are not required since the Plan's assets are held in a Master Trust. Accordingly, the Plan Administrator must file detailed financial information for the Master Trust, including the supplemental schedules, separately with the Department of Labor.



Independent Auditor's Report

To the Participants and Administrator of Raytheon Bargaining Retirement Plan

We have audited the accompanying financial statements of Raytheon Bargaining Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of November 30, 2013 and November 30, 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

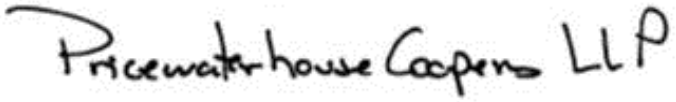
Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of November 30, 2013 and changes therein for the year then ended and its financial status as of November 30, 2012, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Boston, Massachusetts
September 11, 2014

Raytheon Bargaining Retirement Plan
Statements of Net Assets Available for Benefits
November 30, 2013 and 2012

	2013	2012
Assets		
Investments at fair value (Notes 2 and 5)		
Raytheon Master Pension Trust	$ 639,578,877	$ 595,120,515
Receivables		
Employer contributions	-	18,670,000
Total assets	639,578,877	613,790,515
Liabilities		
Other liabilities	390,828	302,384
Accrued administrative expenses	82,051	28,885
Total liabilities	472,879	331,269
Net assets available for benefits	$639,105,998	$ 613,459,246

Raytheon Bargaining Retirement Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended November 30, 2013 and 2012

	2013	2012
Additions		
Raytheon Master Pension Trust investment income (Notes 2 and 5)	$85,380,604	$ 63,083,450
Employee contributions	937,957	1,139,396
Employer contributions	2,734,000	30,757,000
Total additions	89,052,561	94,979,846
Deductions		
Benefit payments	62,108,779	54,271,660
Administrative expenses	1,297,030	1,346,157
Total deductions	63,405,809	55,617,817
Net increase in net assets available for benefits	25,646,752	39,362,029
Net assets available for benefits, beginning of year	613,459,246	574,097,217
Net assets available for benefits, end of year	$639,105,998	$613,459,246

1. Plan Description

The following description of the Raytheon Bargaining Retirement Plan (the "Plan") is for general purposes only. Participants should refer to the Summary Plan Description or the Plan document for a complete description of the Plan's provisions.

General

The Plan was established on December 18, 1997 to provide retirement benefits to eligible employees in represented units as part of Raytheon Company's (the "Company") merger with the Defense Business of Hughes Electronics on December 17, 1997. A proportionate allocation of the liabilities of the preexisting Hughes Electronics Bargaining Retirement Plan (the "Hughes Plan") was transferred to the Plan at that time. Effective December 31, 2002, the Pension and Retirement Plan Local 6-0254 of Paper Allied-Industrial Energy International Union (PACE "Local 6-0254 Plan") was merged into the Raytheon Bargaining Retirement Plan.

Investments are held in the Raytheon Master Pension Trust ("Master Trust"). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

Benefits, Eligibility and Vesting

The Plan is a defined benefit plan covering certain employees of the Company. The Plan provides specified benefits to be paid from the net assets available for benefits. Each employee who was a participant in the Hughes Plan on December 17, 1997, continued as a participant in the Plan with all prior service maintained. Other represented employees working in a bargaining unit in the defense business formerly operated by Hughes Electronics generally become eligible following completion of a year of service. The level of benefits depends upon the status of each participant as either in the contributory portion or the noncontributory portion of the Plan.

Benefits are based principally upon years of service and compensation. Annual earnings in excess of the limit provided for that year by Section 401(a) (17) of the Internal Revenue Code, are not used in determining benefits under the Plan.

Effective January 1, 2007, employees who are either hired or rehired (after the period of eligible recall) subject to any applicable collective bargaining agreement are not eligible to participate in the Plan. In addition, former employees who are rehired on or after March 1, 2007 and have received or are receiving payment from a Company-sponsored pension plan are not eligible to participate in the Plan, subject to applicable collective bargaining agreements.

Non-Contributory Benefit Structure

A bargaining employee hired or rehired by Hughes or Raytheon after the date specified by the applicable collective bargaining unit (all of which were by the end of 1991) participate in the non-contributory benefit structure.

After completing 5 years of service under the Plan, participants are entitled to annual pension benefits defined as a percentage of their final average earnings multiplied by their years of service beginning at their Social Security Retirement Date. In addition, certain unions are provided a minimum guarantee benefit based upon years of service. The non-contributory portion of the plan provides for normal retirement, early retirement, deferred vested and death benefits. The standard form of retirement benefit to unmarried participants is a monthly payment beginning the month following retirement and continuing until death. The standard form of benefit to married participants is a reduced monthly payment for the participant's life and one-half of that payment for the life of the participant's surviving spouse. Other optional forms of benefits are also available including a 10 Year Certain and Continuous Benefit, a 10 or 15 Year Period Certain Benefit, and 66 2/3%, 75% or 100% Contingent Annuity.

Contributory Benefit Structure
A bargaining employee hired or rehired by Hughes before the applicable bargaining unit switched to the non-contributing benefit structure is eligible to participate in the contributory benefit structure. All bargaining units switched to the non-contributing benefit structure before 1992. Employees, who are eligible to participate and choose to do so, contribute 3% of their pay to the Plan. Participants are always vested in their contributions and interest in the Plan.

After completing 5 years of service as a Hughes or Raytheon employee, a participant in the contributory benefit structure is entitled to annual pension benefits beginning at their normal retirement date based upon the greater of three formulas (a career average formula, a minimum benefit formula and a final average compensation formula). The pension under the contributory benefit is adjusted annually to reflect changes in the cost of living (maximum increase or decrease of 4% per year). The contributory portion of the plan provides for normal retirement, early retirement, deferred vested and death benefits. The early retirement pension is unreduced for a participant who is at least 55 at termination and whose age plus continuous service (at termination) is at least 75. The standard form of retirement benefit to unmarried participants is a monthly payment beginning the month following retirement and continuing until death. The standard form of benefit to married participants is a reduced monthly payment for the participant's life and one-half of that payment for the life of the participant's surviving. Other optional forms of benefits are also available including a 5, 10 or 15 Year Certain and Continuous Benefit, a 5, 10 or 15 Year Period Certain Benefit, 5, 10, or 15 Year Temporary Modified Cash Refund Annuity, 66 2/3%, 75%, or 100% Contingent Annuity and Social Security Leveling Options.

Contributions
The Company makes contributions to the Plan to ensure assets are sufficient to pay the benefits of the Plan. Participants in the contributory portion of the Plan, except those on inactive status, are required to contribute to the Plan.

2. Summary of Significant Accounting Policies

Basis of Presentation
The accompanying financial statements are prepared on the accrual basis of accounting.

Investment Valuation and Income Recognition
The Plan's interest in the Master Trust is stated at fair value. Net investment income/ (loss) from the Master Trust is allocated proportionately on a monthly basis based on the Plan's interest in the Master Trust. See Note 5 for additional information.

Contributions
Employer contributions are funded and recorded as determined by actuarial computation. Participants in the contributory portion of the Plan contribute 3% of pay as defined under the Plan. See Note 4 for additional information.

Benefit Payments
Benefit payments to participants are recorded when paid.

Administrative Expenses
The Plan is administered by the Plan Administrator appointed by the Company's Senior Vice President of Human Resources and Global Security. All expenses of the Plan, which primarily consist of professional and administrative fees, are paid by the Plan. Expenses specifically related to the Plan are included in the Statements of Changes in Net Assets Available for Benefits under "Administrative expenses." Additionally, expenses paid directly by the Master Trust, which primarily consist of investment management fees, are allocated proportionally on a monthly basis based on the Plan's interest in the Master Trust and are included in the Statements of Changes in Net Assets Available for Benefits under "Raytheon Master Pension Trust investment income."

Use of Estimates
The Plan's financial statements have been prepared in conformity with U.S. Generally Accepted Accounting Principles ("GAAP") and require the Plan Administrator to make significant estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements and the actuarial present value of accumulated plan benefits as of the benefit information date, the changes in net assets available for benefits during the reporting period and, when applicable, the disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

New Accounting Pronouncements
In December 2011, the Financial Accounting Standard Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-11,"Disclosures about Offsetting Assets and Liabilities." ASU 2011-11 requires disclosures to make financial statements that are prepared under U.S. GAAP more comparable to those prepared under International Financial Reporting Standards ("IFRS"). The new disclosure requirements mandate that entities disclose both gross and net information about instruments and transactions eligible for offset in the statement of assets and liabilities as well as instruments and transactions subject to an agreement similar to a master netting agreement. In addition, ASU 2011-11 requires disclosure of collateral received and posted in connection with master netting agreements or similar arrangements. New disclosures are required for annual reporting periods beginning on or after January 1, 2013, and interim periods within those annual periods. Management is currently evaluating the impact of ASU 2011-11 on the Plan's financial statements.

3. Actuarial Present Value of Accumulated Pension Plan Benefits

Accumulated plan benefits are those future periodic payments that are attributable, under the Plan's provisions, to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of deceased employees, and (c) active employees or their beneficiaries. The level of benefits depends upon the status of each participant as either in the contributory portion or the noncontributory portion of the Plan. Benefits are based principally upon years of service and compensation. Benefits payable under all circumstances - retirement, termination of employment and death - are included to the extent that they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Company's consulting actuary, Mercer, and is the amount which 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 for retirement, death or withdrawal) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation as of November 30, 2012 and 2011 are as follows:

Assumed rate of return on investments for accumulated benefits	8.75% as of November 30, 2012 and 2011
Mortality Basis	Section 430(h)(3) prescribed separate static annuitant and non- annuitant mortality tables. These tables are based on RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on scale AA
Retirement	Several rates, varying by age, from 55 to 70
Post-retirement cost-of-living adjustment	2.5% for contributory participants

Assumption Changes
There have been changes in the actuarial assumptions since the prior valuation of the Plan, as follows:

- Mortality was updated from the section 430(h)(3) prescribed separate static annuitant and non- annuitant mortality tables from 2011 to 2012.
- Actuarial equivalence for Certain Only form of payment was changed to be based on either:
    1) Pension Benefit Guaranty Corporation (the "PBGC") interest rate of 0.75% for 2013, 1.75% for 2014 and 2.75% thereafter (1.50% for 2012, 2.25% for 2013 and 3.00% thereafter in prior valuation) and 1971 Group Annuity Mortality table (blended 80% males, 20% females) or
    2) Segmented interest rates of 4.5% for 5 years, 5.5% for the next 15 years and 6.0% thereafter and the current year 417(e) unisex mortality, whichever yields a larger Certain Only payment.
- The form of payment for Contributing participants for the 2012 plan year was updated from 20% Single Life and 80% 5-year Certain Only to 10% Single Life and 90% 5-year Certain Only.

Plan Changes
There have been changes in the plan provisions since the prior valuation of the Plan, as follows:

- Effective January 1, 2012, the pension minimum guarantee for IBEW Local 2295 employees increased from $32 to $33 per month per year of service and will increase by $1 for each year, with an ultimate rate of $35 per month per year of service on or after January 1, 2014.
- Effective January 1, 2013, the pension minimum guarantee for IAM 933 P&M non-contributory employees will increase from $37 to $40 per month per year of service.

The above changes were made to reflect anticipated demographic and economic experience.

As of November 30, 2012, the most recent valuation date, the actuarial present value of accumulated plan benefits is as follows:

Actuarial present value of accumulated plan benefits	
Vested benefits	
Participants receiving benefits	$229,149,644
Participants with deferred benefits	42,499,078
Active participants	169,591,238
Total vested benefits	441,239,960
Nonvested benefits	57,022,012
Total actuarial present value of accumulated plan benefits	$ 498,261,972
Employee contributions with interest (at a stated rate of 1.14% as of November 30, 2012)	$ 46,174,596

The following is an analysis of changes in the present value of accumulated plan benefits:

Actuarial present value of accumulated plan benefits as of November 30, 2011	$479,761,858
Benefits accumulated and non-investment (gains)/losses	20,990,565
Increase for interest due to decrease in discount period	39,406,912
Benefits paid	(54,271,660)
Change in actuarial assumptions	11,895,126
Change in plan provisions	479,171
Actuarial present value of accumulated plan benefits at November 30, 2012	$498,261,972

4. Funding Policy

The employer's contributions are actuarially determined to fund the Plan's current normal costs on a current basis and to generally fund the existing unfunded liability on account of qualified service prior to the valuation date in accordance with the amortization schedules prescribed by ERISA minimum funding requirements (as amended by the Pension Protection Act). At the Company's discretion, and to the extent allowable under maximum tax deductibility regulations, contributions above the ERISA minimum requirements may be made to the Plan. Contributions for the year ending November 30, 2013 and 2012 met the minimum funding requirements of ERISA.

Participants, who choose the option to participate in the Contributory Benefit feature of the plan, contribute 3% of their eligible compensation. Employee contributions are placed into a trust fund. If a participant does not earn a benefit under the Plan, any contributions made to the Plan, plus interest will be returned to the participant or designated beneficiary.

Participants are always vested in their contributions and interest in the Plan.

5. Master Trust

Summary Financial Information

The Plan's assets are held in the Master Trust, which was established for the investment of assets of the Plan and several other Company sponsored retirement plans. The assets of the Master Trust are held by the Bank of New York Mellon ("BNY Mellon"), the Trustee. The Investment Committee, appointed by the Chairman and CEO of the Company, periodically reviews the asset allocation and performance of the investments held in the Master Trust. The investment policy, as approved by the Investment Committee, permits asset diversification to include a combination of cash and cash equivalents, publicly traded equity securities, private equity funds, fixed-income securities, private real estate funds, commingled funds and other investments such as insurance contracts, derivatives and repurchase agreements.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

At November 30, 2013 and 2012, the Plan owned approximately 3% and 4%, respectively, of the fair value of the Master Trust net assets. The total net assets of the Master Trust at November 30, 2013 and 2012 were:

	2013	2012
Assets		
Investments at fair market value		
Interest-bearing cash	$ -	$1,413,856
U.S. government bonds	35,209,920	63,368,248
Corporate debt instruments and other fixed income securities (includes securities on loan of $ - and $981,281)	2,105,683,924	2,287,533,935
Corporate stock – preferred	25,355,501	30,561,132
Corporate stock – common and other equity securities (includes securities on loan of $ - and $13,461,027)	4,692,737,277	3,781,806,385
Commingled funds	7,540,400,127	7,031,627,884
Registered investment companies	3,149,349,939	2,412,153,111
Investment of securities lending collateral	-	11,357,838
Unallocated insurance contracts	16,861,548	16,206,422
Purchased options (premiums paid $7,379,516 and $388,959)	6,842,480	127,485
Collateral for futures held	24,622,007	700,512
	$17,597,062,723	$15,636,856,808
Investments at estimated fair market value		
Private equity funds	607,654,501	385,329,181
Private real estate funds	361,047,796	250,846,358
	$968,702,297	$636,175,539
Cash	6,189,384	5,689,622
Cash held at broker	-	2,456,599
Foreign cash	6,226,238	3,270,091
Interest and dividends receivable	32,251,753	37,357,853
Unrealized gain on futures contracts	19,772,388	528,998
Receivable for forward foreign currency contracts	980,927	944,270
Receivable for securities sold	155,520,237	195,197,629
Other receivables	51,751	2,892,459
Total assets	$18,786,757,698	$16,521,369,868
Liabilities		
Cash due to broker	15,841,742	-
Interest and dividends payable	123,318	167,974
Written options (premiums received $2,815,000 and $0)	2,321,341	-
Unrealized loss on futures contracts	427,229	1,185,045
Payable for forward foreign currency contracts	505,156	299,698
Payable for securities lending collateral	-	14,992,916
Payable for securities purchased	167,369,868	176,593,354
Other Payable	7,956,420	5,215,159
Total liabilities	$194,545,074	$198,454,146
Master Trust net assets	$18,592,212,624	$16,322,915,722
Plan's interest in Master Trust	$639,578,877	$595,120,515

The following table is a summary of the investment earnings and the net appreciation (depreciation) in the fair market value of the Master Trust for the years ended November 30, 2013 and 2012:

	2013	2012
Net appreciation (depreciation) in fair value of investments		
Interest bearing and foreign cash	($288,034)	($708,630)
U.S. government bonds	(5,220,438)	3,962,168
Corporate debt instruments and other fixed income securities	(78,619,421)	183,368,739
Corporate stock - preferred	87,015	(1,084,716)
Corporate stock – common and other equity securities	830,879,479	441,749,379
Commingled funds	1,287,577,711	702,237,482
Registered investment companies	37,102,711	123,886,244
Purchased options	87,735	(261,474)
Written options	(968,629)	-
Forward currency contracts	4,016,550	(110,670)
Futures contracts	67,974,450	(6,052,682)
Investment of securities lending collateral	71,170	4,328,433
Other investments	(1,622,154)	(1,135,704)
	$2,141,078,145	$1,450,178,569
Net appreciation in estimated fair value of investments		
Private equity funds	96,533,650	44,781,362
Private real estate funds	46,838,866	18,699,300
	$143,372,516	$63,480,662
Interest	85,184,734	129,936,364
Dividends, net	213,464,851	176,378,376
Securities lending program income	62,488	638,306
Other income	1,328,211	10,925,272
Subtotal Master Trust investment income	$2,584,490,945	$1,831,537,549
Total expenses	$111,282,747	$107,207,201
Total Master Trust net investment income	$2,473,208,198	$1,724,330,348
Portion allocated to the Plan	$85,380,604	$63,083,450

Fair Value Measurements
The accounting standard for fair value measurements provides a framework for measuring fair value and requires expanded disclosures regarding fair value measurements. Fair value is defined as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. The accounting standard established a fair value hierarchy which requires an entity to maximize the use of observable inputs, where available. The following summarizes the three levels of inputs required as well as the assets and liabilities that we value using those levels of inputs.

Level 1:	Unadjusted quoted prices in active markets for identical assets or liabilities.
Level 2:	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 which are observable or have been corroborated by observable market data for substantially the full term of the related assets or liabilities.
Level 3:	Unobservable inputs supported by little or no market activity that are significant to the fair value of the assets or liabilities.

A financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. In evaluating the level at which the Plan's commingled funds have been classified within this hierarchy, several factors have been assessed including, but not limited to price transparency, the ability to redeem these investments at net asset value at the measurement date, and the existence or absence of certain restrictions at the measurement date. See valuation policy section for further information.

Changes in Fair Value Levels
The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

For the years ended November 30, 2013 and November 30, 2012, there were no transfers in or out of Levels 1, 2 or 3.

The following tables summarize the fair value of investment assets and liabilities as of November 30, 2013.

	Fair Value of Investment Assets as of 11/30/2013			
	Level 1	**Level 2**	**Level 3**	**Total**
U.S. government bonds	$ 35,209,920	$ -	$ -	$ 35,209,920
Corporate debt instruments and other fixed income securities *	-	2,105,683,924	-	2,105,683,924
Corporate stock – preferred				
U.S. equity	-	1,077,374	-	1,077,374
International equity	24,278,127	-	-	24,278,127
Corporate stock - common and other equity securities**				
U.S. equity	2,371,338,702	3,602,440	-	2,374,941,142
International equity	2,317,796,135	-	-	2,317,796,135
Commingled funds				
103-12 investment entities				
International equity	-	249,310,560	-	249,310,560
Us equity	-	148,638,844	-	148,638,844
Absolute return	-	339,522,643	-	339,522,643
Absolute return	-	838,863,682	397,560,667	1,236,424,349
Common/collective trusts				
Liquidity	-	466,577,432	-	466,577,432
U.S. equity	-	3,142,169,847	-	3,142,169,847
International equity	-	450,834,309	-	450,834,309
Absolute return	-	117,438,850	-	117,438,850
Core real estate	-	56,783,376	-	56,783,376
Fixed income	-	100,578,493	-	100,578,493
Equity	-	128,642,767	-	128,642,767
Real estate pooled separate accounts	-	110,604,806	-	110,604,806
Fixed income	-	978,474,648	14,399,203	992,873,851
Registered investment companies				
U.S. equity	673,962,440	-	-	673,962,440
International equity	409,046,909	-	-	409,046,909
Fixed income	1,634,886,049	-	-	1,634,886,049
Money market funds	431,454,541	-	-	431,454,541
Unallocated insurance contracts	-	-	16,861,548	16,861,548
Purchase options	424,484	6,417,996	-	6,842,480
Collateral for futures held	24,622,007	-	-	24,622,007
Private equity funds	-	-	607,654,501	607,654,501
Private real estate funds	-	-	361,047,796	361,047,796
Unrealized gain on futures contracts	19,772,388	-	-	19,772,388
Receivable for forward foreign currency contracts	-	980,927	-	980,927
Total assets	$ 7,942,791,702	$ 9,246,202,918	$ 1,397,523,715	$ 18,586,518,335

	Fair Value of Investment Liabilities as of 11/30/2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Written options	**$** -	$ 2,321,341	**$** -	$ 2,321,341
Unrealized loss on futures contracts	427,229	-	-	427,229
Payable for forward foreign currency contracts	-	505,156	-	505,156
Total liabilities	$ 427,229	$ 2,826,497	$ -	$ 3,253,726

* Corporate debt instruments and other fixed income securities includes $111,466,667 of asset backed securities and $206,233,213 of term loans.

** Corporate stock - common and other equity securities includes $75,189,672 of master limited partnership securities in U.S. equity.

The following tables summarize the fair value of investment assets and liabilities as of November 30, 2012.

	Fair Value of Investment Assets as of 11/30/2012			
	Level 1	**Level 2**	**Level 3**	**Total**
Interest-bearing cash	$ -	$ 1,413,856	$ -	$ 1,413,856
U.S. government bonds	63,368,248		-	63,368,248
Corporate debt instruments and other fixed income securities *	-	2,287,533,935	-	2,287,533,935
Corporate stock – preferred				
U.S. equity	-	4,790,289	-	4,790,289
International equity	25,770,843	-	-	25,770,843
Corporate stock - common and other equity securities				
U.S. equity	1,626,631,428	4,818,766	162,045	1,631,612,239
International equity	2,150,123,046	71,100	-	2,150,194,146
Investment of securities lending collateral	-	11,357,838	-	11,357,838
Commingled funds				
103-12 investment entities				
International equity	-	199,088,228	-	199,088,228
Absolute return	-	715,882,036	-	715,882,036
US Equity		122,288,598		122,288,598
Absolute return	-	671,235,867	183,875,021	855,110,888
Common/collective trusts				
Liquidity	-	690,275,193	-	690,275,193
U.S. equity	-	2,181,634,829	-	2,181,634,829
International equity	-	305,728,359	-	305,728,359
Absolute return	-	144,069,029	-	144,069,029
Fixed income	-	316,592,418	-	316,592,418
Equity	-	327,427,081	-	327,427,081
Fixed income	-	1,099,159,617	74,371,608	1,173,531,225
Registered investment companies				
U.S. equity	407,550,238	-	-	407,550,238
International equity	87,746,756	-	-	87,746,756
Absolute return	358,463,086	-	-	358,463,086
Fixed income	1,318,813,826	-	-	1,318,813,826
Money market funds	239,579,205	-	-	239,579,205
Unallocated insurance contracts	-	-	16,206,422	16,206,422
Purchased options	127,485	-	-	127,485
Collateral for futures held	700,512	-	-	700,512
Private equity funds	-	-	385,329,181	385,329,181
Private real estate funds	-	-	250,846,358	250,846,358
Unrealized gain on futures contracts	528,998	-	-	528,998
Receivable for forward foreign currency contracts	-	944,270	-	944,270
Total assets	$ 6,279,403,671	$ 9,084,311,309	$ 910,790,635	$ 16,274,505,615

	Fair Value of Investment Liabilities as of 11/30/2012			
	Level 1	**Level 2**	**Level 3**	**Total**
Unrealized loss on futures contracts	$ 1,185,045	$ -	$ -	$ 1,185,045
Payable for forward foreign currency contracts	-	299,698	-	299,698
Total liabilities	$ 1,185,045	$ 299,698	$ -	$ 1,484,743

*Corporate debt instruments and other fixed income securities includes $37,484,350 of asset backed securities and $149,738,444 of term loans.

Level 3 Investments

The tables below summarize changes in the fair value of the Master Trust's Level 3 investment assets for the years ended November 30, 2013 and November 30, 2012.

	Level 3 Investment Assets 11/30/2013						
	Balance, beginning of year	Realized gains (losses)	Change in unrealized gains (losses)	Purchases	Sales	Transfers in (out) of level 3	Balance, end of year
Corporate stock - common and other equity securities	$ 162,045	$ (4,914)	$ 4,914	$ -	$ 162,045	$ -	$ -
Commingled funds							
Absolute return	183,875,021	18,576,329	43,129,467	288,295,484	136,315,634	-	397,560,667
Fixed income	74,371,608	18,258,125	18,735,244	3,169,439	100,135,213	-	14,399,203
Unallocated insurance contracts	16,206,422	3,157	(3,158)	779,512	124,385	-	16,861,548
Private equity funds	385,329,181	54,352,757	33,991,701	275,193,021	141,212,159	-	607,654,501
Private real estate funds	250,846,358	7,764,316	41,965,236	106,182,291	45,710,405	-	361,047,796
Total	$ 910,790,635	$ 98,949,770	$ 137,823,404	$ 673,619,747	$ 423,659,841	$ -	$ 1,397,523,715

Change in unrealized gain of $116,630,204 relates to investment assets held by the Master Trust at November 30, 2013.

	Level 3 Investment Assets 11/30/2012						
	Balance, beginning of year	Realized gains (losses)	Change in unrealized gains (losses)	Purchases	Sales	Transfers in (out) of level 3	Balance, end of year
Corporate stock - common and other equity securities	$ 173,160	$ (30,420)	$ 19,305	$ 166,959	$ (166,959)	$ -	$ 162,045
Commingled funds							
Absolute return	101,598,118	5,279,981	6,646,301	111,032,993	(40,682,372)	-	183,875,021
Fixed income	54,188,766	(1,674,744)	30,163,331	92,854,035	(101,159,780)	-	74,371,608
Unallocated insurance contracts	15,560,511	3,347	(3,346)	771,613	(125,703)	-	16,206,422
Private equity funds	316,214,768	60,176,507	(18,523,725)	152,170,941	(124,709,310)	-	385,329,181
Private real estate funds	189,752,068	1,603,681	16,518,060	68,148,719	(25,176,170)	-	250,846,358
Total	$ 677,487,391	$ 65,358,352	$ 34,819,926	$ 425,145,260	$ (292,020,294)	$ -	$ 910,790,635

Change in unrealized gain of $32,799,978 relates to investment assets held by the Master Trust at November 30, 2012.

Level 3 investments, which are mainly commingled funds, private equity funds and private real estate funds, are estimated at fair market value which primarily utilizes net asset values reported by the investment manager or fund manager. Members of the Coordinating Investment Fiduciary's team and the Chief Accounting Officer's team review independently appraised values, audited financial statements and other pricing information to evaluate the net asset values. Further, for the very limited group of securities and other assets that do not utilize net asset values and for which market quotations are not readily available, additional information is obtained from the investment manager and evaluated to ensure the reported values reflect fair value. This limited group of investments represents less than 1% of the Master Trust assets. See Valuation Policy section for further information.

The table below summarizes the fair value measurements of the investments in certain entities that calculate net asset value per share as of November 30, 2013:

Category of Investment	Fair Value	Unfunded Commitments	Remaining Life	Redemption Terms, if currently eligible	Redemption restrictions and terms	Redemption restrictions and terms in place at year end
Private Real Estate Funds	$ 361,047,796	411,678,478	0-9 years	Not applicable	Not applicable	Not applicable
Private Equity Funds	607,654,501	1,028,556,014	0-9 years	Not applicable	Not applicable	Not applicable
Commingled Funds						
103-12 Entities	737,472,047	Not applicable	Not applicable	Ranges from 5-15 days notice monthly	100% of funds are either not under lock or have a lock of one year or less.	Less than 5% of the funds have gates in place as of December 31, 2013.
Absolute Return	1,236,424,349	5,753,557	Not applicable	Ranges from 15-120 days notice monthly, 45-90 days notice quarterly, 90 days notice annually	92% of funds are either not under lock or have a lock of one year or less. 8% of funds have a lock up provision of two to ten years.	Less than 15% of the funds have gates in place as of December 31, 2013.
Common/collective Trusts	4,334,382,307	50,000,000	Not applicable	Ranges from 1-7 days notice daily	None	None
Equity Funds	128,642,767	Not applicable	Not applicable	Ranges from 15-30 days notice monthly	100% of funds are either not under lock or have a lock of one year or less.	None
Fixed Income Funds	992,873,851	Not applicable	Not applicable	Ranges from 45 days notice monthly, 60-90 days notice quarterly	80% of funds are either not under lock or have a lock of one year or less. 20% of funds have a lock up provision of two to five years.	Less than 5% of the funds have gates in place as of December 31, 2013.
Real Estate Pooled Separate Accounts	110,604,806	Not applicable	Not applicable	90 days notice quarterly	100% of funds are either not under lock or have a lock of one year or less.	None

The table below summarizes the fair value measurements of the investments in certain entities that calculate net asset value per share as of November 30, 2012:

Category of Investment	Fair Value	Unfunded Commitments	Remaining Life	Redemption Terms, if currently eligible	Redemption restrictions and terms	Redemption restrictions and terms in place at year end
Private Real Estate Funds	$ 250,846,358	$ 190,188,269	0-10 years	Not applicable	Not applicable	Not applicable
Private Equity Funds	385,329,181	620,363,418	0-10 years	Not applicable	Not applicable	Not applicable
Commingled Funds						
103-12 Entities	1,037,258,862	Not applicable	Not applicable	Ranges from 5-15 days notice monthly	100% of funds are either not under lock or have a lock of one year or less.	Less than 5% of the funds have gates in place as of December 31, 2012.
Absolute Return	855,110,888	2,500,000	Not applicable	Ranges from 5-120 days notice monthly, 45-90 days notice quarterly, 60-180 days notice annually	88% of funds are either not under lock or have a lock of one year or less. 12% of funds have a lock up provision of two to ten years.	Less than 15% of the funds have gates in place as of December 31, 2012.
Common/collective Trusts	3,638,299,828	Not applicable	Not applicable	Ranges from 1-7 days notice daily	None	None
Equity Funds	327,427,081	50,000,000	Not applicable	Ranges from 15-30 days notice monthly, 60 days notice quarterly	100% of funds are either not under lock or have a lock of one year or less.	Less than 5% of the funds have gates in place as of December 31, 2012.
Fixed Income Funds	1,173,531,225	Not applicable	Not applicable	Ranges from 10 days notice daily, 30-45 days notice monthly, 45-90 days notice quarterly	80% of funds are either not under lock or have a lock of one year or less. 20% of funds have a lock up provision of two to five years.	Less than 10% of the funds have gates in place as of December 31, 2012.

Valuation Policy

The Plan's interest in the Master Trust is stated at fair value. The Trustee values Master Trust investments as follows:

Cash and cash equivalents are valued at amortized cost, which approximates fair value.

Investments in equity securities (common and preferred) and equity securities sold short, if any, are valued at the exchange traded closing price.

Investments in fixed income securities (U.S. Government, domestic and foreign bonds, asset backed securities and term loans) are valued by a pricing service which determines valuations for normal institutional-size trading units of such securities using methods based upon market transactions for comparable securities and various relationships between securities which are generally recognized by institutional traders, or at fair value as determined in good faith by the Trustee of the Master Trust and management.

Investments denominated in foreign currencies are translated into U.S. Dollars using the last reported exchange rate.

Commingled funds, registered investment companies, private equity funds and private real estate funds are generally valued at their last reported net asset value. Certain commingled funds, private equity funds and private real estate funds are recorded at fair market value which considers, but is not limited to fair values reported by the investment advisor, audited financial statements, and independently appraised values. In the event that audited financial statements for these investments are not available in time to prepare our financial statements or management believes the value reported by the investment advisor does not accurately reflect fair value due to an event in the market place, such as a prime-broker filing for bankruptcy, management will adjust the reported value to fair value based upon information provided by the investment manager or independent valuation experts.

Unallocated insurance contracts are valued at their contract price which approximates fair value.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value.

Valuation policies for derivative investments are disclosed in the Derivative Policy paragraph.

Investment Income (Loss)
The Trustee maintains separate records of each plan's proportionate share in the Master Trust's investment accounts. The Plan's share of investment income (loss) and net appreciation (depreciation) in the fair value of investments of the Master Trust is included in the Statements of Changes in Net Assets Available for Benefits as Master Trust investment income (loss). The net appreciation (depreciation) in the fair value of investments consists of the realized gains (losses) and the change in unrealized appreciation (depreciation) on those investments.

Under the Master Trust Agreement, each plan's assets are jointly invested. The Plan uses the unit participation method to calculate the Plan's interest in the Master Trust. Under this method, contributions made to and benefits paid from the Master Trust result in increases or decreases in units of participation. All Master Trust income or loss results in a change in unit value.

Dividends are recorded on the ex-dividend date and interest income is accrued as earned. All security transactions are recorded on the trade date. Premiums and discounts on debt securities are amortized to maturity. Gains or losses on sales of securities are based on average cost.

Investments Sold Short
As of November 30, 2013 and 2012, the Master Trust was not invested in any securities sold short.

The Master Trust may sell a security it does not own in anticipation of a decline in the fair value of that security or as part of its core investment strategy. The Master Trust, in "selling short," sells borrowed securities that must at some date be repurchased and returned to the lender. The risk associated with this practice is that if the market value of the securities sold short increases, the Master Trust may realize losses upon repurchase at prices which may exceed the proceeds received from the sale of the security. Further, in unusual circumstances, the Master Trust may be unable to purchase securities to close its short positions. The Master Trust is obligated to pay a prime broker interest based on the value of the securities sold short and any dividends declared on the securities sold short. Such fees and dividends are recorded on the accrual basis as an expense to the Master Trust.

Repurchase Agreements
As of November 30, 2013 and 2012, the Master Trust was not directly invested in any repurchase agreements.

The Master Trust may lend extra cash through the use of repurchase agreements whereby the Master Trust agrees to purchase and automatically agrees to sell certain securities at a mutually agreed-upon date and price. At the same time, the counterparty to this agreement agrees to pledge some of its securities. The underlying collateral securities consist of securities in which the Master Trust is permitted to invest.

Securities Lending Program
The Master Trust directly participated in a securities lending program with the Trustee as of November 30, 2012 and exited the program by November 30, 2013. The program allowed the Trustee to loan securities, which are assets of the Master Trust, to approved brokers (the "Borrowers"). The Trustee required Borrowers, pursuant to a security loan agreement, to deliver collateral to secure each loan. The collateral required 102% of the fair value of U.S. securities borrowed and 105% for non-U.S. securities borrowed. The Master Trust bore the risk of loss with respect to the unfavorable change in fair value of the invested cash collateral. However, the Borrower bore the risk of loss related to the decrease in the fair value of the securities collateral and, therefore, will have to deliver additional securities to maintain the required collateral. In the event of default by the Borrower, the Trustee shall indemnify the Master Trust by purchasing replacement securities equal to the number of unreturned loaned securities or, if replacement securities are not able to be purchased, the Trustee shall credit the Master Trust for the market value of the unreturned securities. In each case, the Trustee would apply the proceeds from the collateral for such a loan to make the Master Trust whole.

The market value of the securities on loan to Borrowers at November 30, 2012 was $14,442,308. Cash collateral obligations of $14,992,916 were received for securities on loan at November 30, 2012. Cash collateral was invested in a separately maintained and managed cash collateral investment account and had a fair market value of $11,357,838 at November 30, 2012. At November 30, 2012, investments include $4,518,039 invested in overnight repurchase agreements and $6,837,044 invested in asset backed securities.

A portion of the income generated upon investment of cash collateral is remitted to the Borrowers, and the remainder is allocated between the Master Trust and the Trustee in its capacity as a security agent. Securities lending income allocated to the Master Trust amounted to $62,488 and $638,306 as of November 30, 2013 and 2012, respectively. Securities lending income allocated to the Trustee amounted to $15,742 and $161,470 as of November 30, 2013 and 2012, respectively.

Derivative Policy

The Master Trust enters into contractual arrangements classified as derivatives in carrying out its investment strategy, principally to: (1) hedge a portion of the Master Trust's portfolio to limit or minimize exposure to certain risks, (2) gain exposure to a market more rapidly or less expensively than could be accomplished through the use of the cash markets, and (3) increase investment returns by reducing the cost of structuring the portfolio or capturing value disparities between financial instruments. The Master Trust may utilize both exchange traded investment instruments such as equity and fixed income futures and options contracts and over-the-counter derivatives such as forward contracts and swaps. Select major financial institutions are used in derivatives transactions. When engaging in over the counter derivatives and forward foreign exchange contracts, there is exposure to credit loss in the event of nonperformance by the counterparties to these transactions. The Master Trust manages this exposure through credit approvals, limits, monitoring procedures, and to the extent possible, by restricting the period over which unpaid balances are allowed to accumulate. The Master Trust does not anticipate nonperformance by counterparties to these contracts.

The following tables present the values of derivatives carried on the Statement of Net Assets and the Statement of Changes in Net Assets of the Master Trust as of and for the year ended November 30, 2013:

Fair value of asset and liability derivative contracts

Derivatives not accounted for as hedging instruments

Assets	Credit	Equity	Foreign Exchange	Interest Rate	Total
Unrealized gain on options	$ 4,040,796	$ 2,801,684	$ -	$ -	$ 6,842,480
Unrealized gain on futures contracts	19,772,388	-	-	-	19,772,388
Unrealized gain on forward currency contracts	-	-	980,927	-	980,927
	$23,813,184	$2,801,684	$ 980,927	$ -	$27,595,795
Liabilities					
Unrealized loss on options	$ 2,321,341	$ -	$ -	$ -	$ 2,321,341
Unrealized loss on futures contracts	427,229	-	-	-	427,229
Unrealized loss on forward currency contracts	-	-	505,156	-	505,156
	$ 2,748,570	$ -	$ 505,156	$ -	$ 3,253,726

Effect of Derivative Instruments on the Statement of Changes in Net Assets

Derivatives not accounted for as hedging instruments	Net Appreciation/ (Depreciation)	Average Number of Contracts*
Options	$ (880,894)	850
Futures contracts	67,974,450	8,875
Forward currency contracts	4,016,550	75
	$ 71,110,106	9,800

* Number of contracts represents volume of derivative activity and is based on a quarterly average.

The following tables present the values of derivatives carried on the Statement of Net Assets and the Statement of Changes in Net Assets of the Master Trust as of and for the year ended November 30, 2012:

Fair value of asset and liability derivative contracts

Derivatives not accounted for as hedging instruments

Assets	Credit	Equity	Foreign Exchange	Interest Rate	Total
Unrealized gain on options	$ -	$ 127,485	$ -	$ -	$ 127,485
Unrealized gain on futures contracts	528,998	-	-	-	528,998
Unrealized gain on forward currency contracts	-	-	944,270	-	944,270
	$ 528,998	$ 127,485	$ 944,270	$ -	$ 1,600,753
Liabilities					
Unrealized loss on futures contracts	$ 1,185,045	$ -	$ -	$ -	$ 1,185,045
Unrealized loss on forward currency contracts	-	-	299,698	-	299,698
	$ 1,185,045	$ -	$ 299,698	$ -	$ 1,484,743

Effect of Derivative Instruments on the Statement of Changes in Net Assets

Derivatives not accounted for as hedging instruments	Net Appreciation/ (Depreciation)	Average Number of Contracts*
Options	$ (261,474)	$ 450
Futures contracts	(6,052,682)	4,475
Forward currency contracts	(110,670)	95
	$ (6,424,826)	5,020

* Number of contracts represents volume of derivative activity and is based on a quarterly average.

The following is a summary of the significant accounting policies associated with the Master Trust's use of derivatives:

Forward Foreign Currency Exchange Contracts
A forward foreign currency exchange contract ("forward currency contract") is a commitment to purchase or sell a foreign currency at a future settlement date and at a negotiated rate.

Forward currency contracts are utilized to hedge a portion of the currency exposure that results from the Master Trust's holdings of equity and fixed income securities denominated in foreign currencies.

Forward currency contracts are marked-to-market at the prevailing forward exchange rate of the underlying currencies and the difference between contract value and market value is recorded as unrealized appreciation (depreciation) in Master Trust net assets. When the forward exchange contract is closed, the Master Trust transfers the unrealized appreciation (depreciation) to a realized gain (loss) equal to the change in the value of the forward exchange contract when it was opened and the value at the time it was closed or offset. Sales and purchases of forward currency contracts having the same settlement date and broker are offset and any gain (loss) is realized on the date of offset.

Certain risks may arise upon entering into a forward currency contract from the potential inability of counterparties to meet the terms of their contracts. Additionally, when utilizing forward currency contracts to hedge, the Master Trust gives up the opportunity to profit from favorable exchange rate movements during the term of the contract.

A summary of open forward currency contracts at November 30, 2013 is presented below:

	2013			
	Settlement Date	**Aggregate Face Value**	**Market Value**	**Unrealized Appreciation (Depreciation)**
Currency Purchased				
Brazil Real	12/3/2013	$37,710	$37,743	$33
Danish Krone	12/4/2013	599,863	599,934	71
Euro Currency Unit	12/2/2013-5/13/2014	6,716,195	6,734,966	18,771
Hong Kong Dollar	12/2/2013-12/3/2013	1,842,325	1,842,292	(33)
Japanese Yen	12/2/2013-5/13/2014	10,287,197	10,068,778	(218,419)
Malaysian Ringgit	12/2/2013	42,398	42,393	(5)
Norwegian Krone	12/4/2013	107,525	107,366	(159)
Pound Sterling	12/3/2013-12/4/2013	1,388,316	1,388,604	288
S. African Comm Rand	12/4/2013-12/5/2013	72,648	72,952	304
Swedish Krona	12/3/2013-12/4/2013	712,108	713,634	1,526
Swiss Franc	12/4/2013	245,655	245,562	(93)
		$22,051,940	$21,854,224	($197,716)

	2013			
	Settlement Date	**Aggregate Face Value**	**Market Value**	**Unrealized Appreciation (Depreciation)**
Currency Sold				
Brazil Real	12/2/2013-12/4/2013	$76,362	$76,422	($60)
Colombian Peso	12/2/2013	6,020	6,024	(4)
Danish Krone	12/2/2013	57,421	57,624	(203)
Euro Currency Unit	12/2/2013-5/13/2014	16,007,741	16,293,517	(285,776)
Hong Kong Dollar	12/2/2013-12/3/2013	121,216	121,218	(2)
Japanese Yen	12/2/2013-5/13/2014	24,201,431	23,241,516	959,915
Mexican New Peso	12/2/2013	28,591	28,572	19
Pound Sterling	12/2/2013-12/3/2013	83,095	83,391	(296)
Swiss Franc	12/2/2013	2,599	2,612	(13)
Thailand Baht	12/2/2013-12/3/2013	96,173	96,266	(93)
		$40,680,649	$40,007,162	$673,487

A summary of open forward currency contracts at November 30, 2012 is presented below:

	2012			
	Settlement Date	**Aggregate Face Value**	**Market Value**	**Unrealized Appreciation (Depreciation)**
Currency Purchased				
Brazil Real	12/3/2012-12/4/2012	$373,678	$372,214	($1,464)
Canadian Dollar	12/3/2012-12/4/2012	377,983	378,011	28
Euro Currency Unit	12/3/12	125,017	125,616	599
Japanese Yen	2/15/2013	353,550	335,853	(17,697)
Pound Sterling	12/4/2013	1,825	1,824	(1)
Singapore Dollar	12/3/12	464,100	464,931	831
Thailand Baht	12/3/12	619,233	618,728	(505)
		$2,315,386	$2,297,177	($18,209)

	2012			
	Settlement Date	**Aggregate Face Value**	**Market Value**	**Unrealized Appreciation (Depreciation)**
Currency Sold				
Brazil Real	12/3/2012	$12,782	$12,688	$94
Euro Currency Unit	12/3/2012-5/15/2013	8,097,744	8,376,112	(278,368)
Hong Kong Dollar	12/3/2012-12/4/2012	254,611	254,609	2
Japanese Yen	12/3/2012-5/15/2013	22,391,074	21,448,358	942,716
Malaysian Ringgit	12/3/2012-12/4/2012	8,481	8,497	(16)
New Taiwan Dollar	12/3/2012	51,615	51,757	(142)
Pound Sterling	12/3/2012-12/5/2012	345,434	345,744	(310)
Singapore Dollar	12/3/2012	650,694	651,853	(1,159)
South Korean Won	12/3/2012	28,137	28,162	(25)
Swiss Franc	12/4/2012-12/5/2012	46,697	46,708	(11)
		$31,887,269	$31,224,488	$662,781

Futures Contracts
A futures contract is a contractual agreement to make or take delivery of a standardized quantity of a specified grade or type of commodity or financial instrument at a specified future date in accordance with terms specified by a regulated futures exchange.

The Master Trust may use equity index, fixed income, cash and cash equivalents and commodities futures contracts to manage exposure to the market. Buying futures tends to increase the Master Trust's exposure to the underlying instrument. Selling futures tends to decrease the Master Trust's exposure to the underlying instrument held, or hedge the fair value of other fund investments.

Futures contracts are valued at the last settlement price at the end of each day on the exchange upon which they are traded. Upon entering into a futures contract, the Master Trust is required to deposit either in cash or securities an amount equal to a certain percentage of the nominal value of the contract ("initial margin"). Pursuant to the futures contract, the Master Trust agrees to receive from, or pay to, the broker an amount of cash equal to the daily fluctuation in the value of the futures contract. Such receipts or payments are recorded as "margin flows," and the accumulated balances resulting from those flows are represented on the balance sheet as "cash held at broker" and "cash due to broker." The Master Trust will also record an unrealized gain or loss on futures, which is calculated as the difference between the notional cost and the notional market value of open futures contracts.

Futures contracts involve, to varying degrees, credit and market risks. The Master Trust enters into futures contracts on exchanges where the exchange acts as the counterparty to the transaction. Thus, credit risk on such transactions is limited to the failure of the exchange. The daily settlement on the futures contracts serves to greatly reduce credit risk. Losses in value may arise from changes in the value of the underlying instrument or if there is an illiquid secondary market for the contracts. In addition, there is the risk that there may not be an exact correlation between a futures contract and the underlying index or security.

At November 30, 2013, U.S. Government Bonds with a par value of $24,813,000 ($24,622,007 fair value) were pledged as collateral for open equity and fixed income futures positions. These bonds are restricted from trading until the futures positions for which they are pledged as collateral are settled. A cash balance of $15,841,742 was posted to cover margin requirements for open futures contracts.

At November 30, 2012, U.S. Government Bonds with a par value of $700,000 ($700,512 fair value) were pledged as collateral for open equity and fixed income futures positions. These bonds are restricted from trading until the futures positions for which they are pledged as collateral are settled. A cash balance of $2,456,599 was pledged to cover margin requirements for open futures contracts.

A summary of the open fixed income futures as of November 30, 2013 and 2012 are presented below:

	Long Contracts		Short Contracts	
	2013		2013	
	Number of Contracts	Aggregate Face Value	Number of Contracts	Aggregate Face Value
U.S. Treasury Bond Futures (CBT)	95	$ 12,421,250	216	$ 28,242,000
U.S. 10-year Treasury Notes Futures (CBT)	-	-	2,978	373,366,750
U.S. 5-year Treasury Notes Futures (CBT)	844	102,058,062	635	76,785,391
U.S. Ultra Bond (CBT)	287	39,928,875	826	114,917,250
Grand Total	1,226	$ 154,408,187	4,655	$ 593,311,391

	Long Contracts		Short Contracts	
	2012		2012	
	Number of Contracts	Aggregate Face Value	Number of Contracts	Aggregate Face Value
U.S. Treasury Bond Futures (CBT)	210	$ 31,513,125	39	$ 5,852,438
U.S. 10-year Treasury Notes Futures (CBT)	-	-	2,559	341,986,359
U.S. 5-year Treasury Notes Futures (CBT)	1,708	213,019,625	132	16,462,875
U.S. 2- Year Treasury Notes Futures (CBT)	-	-	403	88,842,610
U.S. Ultra Bond (CBT)	410	68,034,375	96	15,930,000
Grand Total	2,328	$ 312,567,125	3,229	$ 469,074,282

A summary of the open equity futures as of November 30, 2013 is presented below:

	Long Contracts	
	2013	
	Number of Contracts	Aggregate Face Value
S&P Mid 400 Emini Futures(CME)	23	$ 2,997,130
S & P 500 Emini Ind Futures (CME)	3,507	316,348,935
Russell 2000 Mini Ind Futures (NYF)	38	4,338,460
Grand Total	3,568	$ 323,684,525

Options

The Master Trust may invest in option contracts. 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. Certain options, including options on indices, will require cash settlement by the Master Trust if the option is exercised. The Master Trust may enter into put or call option contracts in order to: hedge against potential adverse price movements in the value of the portfolio assets, as a temporary substitute for selling selected investments; to lock in the purchase price of a security or currency that it expects to purchase in the near future, as a temporary substitute for the purchase of selected investments; and to enhance potential gain.

When the Master Trust purchases or writes an option, an amount equal to the premium paid or received by the Master Trust is recorded as an asset or liability and is subsequently adjusted to the current market value of the option purchased or written. Options purchased or written are valued at the last sale price or, in the absence of a sale, the mean between the closing bid and asked prices or at the most recent asked price (bid for purchased options) if no bid and asked price are available. Over-the-counter purchased or written options are valued using dealer supplied quotations. Gain and loss is recognized when the option contract expires or is closed.

If the Master Trust writes a covered call option, the Master Trust foregoes, in exchange for the premium, the opportunity to profit during the option period from an increase in the value of the underlying security above the exercise price. If the Master Trust writes a put option, it accepts the risk of a decline in the value of the underlying security below the exercise price. Over-the-counter options have a risk of the potential inability of counterparties to meet the terms of their contracts. The Master Trust's maximum exposure to purchased options is limited to the premium initially paid. In addition, certain risks may arise upon entering into option contracts prior to the expiration date and that a change in value of the option contract may not correlate exactly with changes in the value of the securities or currencies hedged.

A summary of opened purchased equity index options as of November 30, 2013 and 2012 are presented below:

	Call Options			
	2013		2012	
	Number of Contracts	Market Value	Number of Contracts	Market Value
S & P 500 Index (SPX)	840	$2,377,200	-	$ -
Total purchased equity index options	840	$2,377,200	-	$ -

	Put Options			
	2013		2012	
	Number of Contracts	Market Value	Number of Contracts	Market Value
CBOE Russell 2000 Index	1311	$ 424,484	388	$ 127,485
Total purchased equity index options	1311	$ 424,484	388	$ 127,485

Premiums paid in aggregate as of November 30, 2013	$ 2,854,516
Premiums paid in aggregate as of November 30, 2012	$ 388,959

A summary of opened written fixed income options as of November 30, 2013 is presented below:

	Put Options	
	2013	
	Number of Contracts	Market Value
IRS R US0003M P 3.43% 06/05/25	60,000,000	$1,554,859
IRS-R US0003M LIBOR P 3.9225%	19,000,000	766,482
Total written fixed income options	79,000,000	$2,321,341
Premiums received in aggregate as of November 30, 2013		$2,815,000

A summary of opened purchased fixed income options as of November 30, 2013 is presented below:

	Put Options	
	2013	
	Number of Contracts	Market Value
IRS R US0003M P 3.43% 06/05/25	60,000,000	$2,566,960
IRS-R US0003M LIBOR P 3.9225%	19,000,000	1,473,835
Total purchased fixed income options	79,000,000	$4,040,795
Premiums paid in aggregate as of November 30, 2013		$4,525,000

Swaps

As of November 30, 2013 and 2012, the Master Trust was not invested in any swaps.

The Master Trust may invest in interest rate swap contracts. The Master Trust uses interest rate swap contracts to manage its exposure to interest rates. Interest rate swap contracts entered into by the Master Trust typically represent the exchange by the Master Trust with a counterparty of a commitment to make variable rate and fixed rate payments with respect to a notional amount of principal. Such contracts may have a term of one to ten years, but typically require periodic interim settlement in cash, at which time both the value of the index or security and the specified variable interest rate are reset for the next settlement period. During the period that the swap contract is open, the contract is marked-to-market as the net amount due to or from the Plan in accordance with the terms of the contract based on the closing level of the relevant index or security and interest accrual through the valuation date. Changes in the value of the swap contract are recorded as unrealized gains or losses, while periodic cash settlements are recorded as realized gains or losses.

The Master Trust may invest in credit default swaps. Credit default swap contracts entered into by the Master Trust typically represent the exchange by the Master Trust with a counterparty of a commitment to provide a level of credit protection for a commitment to receive interest at a fixed rate based on the potential risk of default of the relevant underlying issuer. Providing credit protection to a counterparty tends to increase a Master Trust's exposure to the underlying instrument. Receiving credit protection from a counterparty tends to decrease a Master Trust's exposure to the underlying instrument held by a Master Trust, or hedge the fair value of other Master Trust investments. Such contracts may have a term of one to ten years, but typically require periodic interim settlement in cash. During the period that the credit default swap contract is open, the contract is marked-to-market in accordance with the terms of the contract based on the current interest rate spreads and credit risk of the referenced obligation of the underlying issuer and interest accrual through valuation date. Changes in the value of the credit default swap are recorded as unrealized gains or losses, while periodic cash settlements are recorded as realized gains or losses.

Entering into a swap contract involves, to varying degrees, elements of credit, market and interest rate risk in excess of the amounts reported in the statement of net assets available for benefits. Notional principal amounts are used to express the extent of involvement in the transactions, but are not delivered under the contract. Accordingly, credit risk is limited to any amounts receivable from the counterparty. To reduce credit risk from potential counterparty default, the Master Trust enters into swap contracts with counterparties whose creditworthiness has been approved by the Trustee of the Trust. The Master Trust bears the market risk arising from any change in index or security values or interest rates.

6. Termination Policies

The Company has not expressed any intent to terminate the Plan or discontinue its contributions. However, in the event the Plan is discontinued:

(a) The assets comprising the Plan, including the net income/ (loss) of the Plan shall be revalued at market by the Trustee.

(b) The Plan provides that the net assets of the Plan shall be allocated among the participants and beneficiaries of the Plan in the order provided by ERISA.

(c) To the extent unfunded vested benefits exist, ERISA provides that such benefits are payable by the Pension Benefit Guaranty Corporation (the "PBGC") to participants, up to specified limitations, as described in ERISA.

Whether all participants receive their full or partial benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations, and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC.

The Company may terminate the Plan in whole or in part at any time. This summary of termination priorities is provided for general information purposes only. Participants should refer to the Plan document for more information.

7. Party-in-Interest Transactions

Certain investments within the Master Trust were advised by or affiliated with The Bank of New York Mellon ("BNY Mellon"), the Trustee and Custodian, and related party. Transactions with BNY Mellon qualify as party-in-interest transactions. For the years ended November 30, 2013 and 2012, expenses specifically related to the Plan of $98,482 and $73,674, respectively, were paid to BNY Mellon and were incurred and included in "Administrative expenses." Additionally, the Plan was allocated approximately $168,340 and $196,458 of expenses paid directly by the Master Trust to BNY Mellon for the years ended November 30, 2013 and 2012, respectively, and are included in "Raytheon Master Pension Trust investment income."

As of November 30, 2013 and 2012, expenses to be paid to BNY Mellon of $42,254 and $26,163, respectively, were accrued. Accrued expenses to be paid to BNY Mellon specifically related to the Plan are included in "Accrued administrative expenses" and the Plan's allocation of Master Trust accrued expenses to be paid to BNY Mellon are included in "Other liabilities."

8. Tax Status

The Internal Revenue Service (the "IRS") has determined and informed the Company by letter dated October 29, 2013, that the design of the Plan meets the requirements for qualification under Code section 401(a), on which the tax exemption of the Trust under Code section 501(a) is based. The Plan has been amended since receiving the determination letter. The Plan Administrator and the Company's benefits counsel believe that the current design and operation of the Plan are consistent with continued qualification of the Plan and exemption of the Trust in the context of applicable IRS procedures.

The Plan adopted the provisions of uncertain tax positions that provide criteria for the recognition, measurement, presentations and disclosure of uncertain tax positions beginning January 1, 2009. The Plan may from time to time hold investments that give rise to certain tax liabilities. Based upon management's assessment, the Plan has not recognized any tax liabilities at November 30, 2013 and 2012, respectively. The Plan is subject to examinations by taxing jurisdictions; however, there are currently no audits for any tax period in progress. The Plan Administrator believes the Plan is no longer subject to federal tax examination for years prior to 2011.

9. Risks and Uncertainties

The Plan financial statements are based on the application of U.S. GAAP, which require the Plan to make estimates and assumptions about future events that affect the amounts reported in financial statements and the accompanying notes.

Contributions to the Plan are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee compensation and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements. The investments of the Plan, which are held in the Master Trust, are exposed to various risks, such as interest rate, market and credit risks. See Note 5 for additional information with respect to investment risk.

10. Subsequent Events

The Plan has evaluated subsequent events and transactions subsequent to November 30, 2013 through the date the Plan's financial statements were available to be issued, September 11, 2014.