

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2013</div> <div style="text-align: center; font-weight: bold;">This Form is Open to Public Inspection</div>
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☒ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information	
1a Name of plan	ITT AEROSPACE CONTROLS SAVINGS PLAN FOR HOURLY EMPLOYEES	1b Three-digit plan number (PN) ▶ <u>193</u> 1c Effective date of plan <u>07/01/1989</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)	ITT CORPORATION 1133 WESTCHESTER AVENUE WHITE PLAINS, NY 10604	2b Employer Identification Number (EIN) <u>13-5158950</u> 2c Sponsor's telephone number <u>914-641-2000</u> 2d Business code (see instructions) <u>333200</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2014	ANN FERNANDES
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)
DELOITTE TAX LLP 1633 BROADWAY NEW YORK, NY 10019			212-492-3600

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

Form 5500 (2013)
v. 130118

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address ITT AEROSPACE CONTROLS DIVISION 28150 INDUSTRY DRIVE VALENCIA, CA 91355-5888		3b Administrator's EIN 13-5158950 3c Administrator's telephone number 661-295-4147
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		5 430
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants		6a 0
b Retired or separated participants receiving benefits		6b 0
c Other retired or separated participants entitled to future benefits		6c 0
d Subtotal. Add lines 6a , 6b , and 6c		6d 0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6e 0
f Total. Add lines 6d and 6e		6f 0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g 0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3H		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A Name of plan <u>ITT AEROSPACE CONTROLS SAVINGS PLAN FOR HOURLY EMPLOYEES</u>	B Three-digit plan number (PN) ►	<u>193</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ITT CORPORATION</u>	D Employer Identification Number (EIN) <u>13-5158950</u>	

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)	902	0
	(2) Participant contributions	1b(2)	4712	0
	(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)	942064	0
	(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)	11089767	0
	(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)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	12037445	0

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	12037445	0
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	249988	
(B) Participants	2a(1)(B)	801850	
(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)		1051838

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)	45849	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		45849

(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)		
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(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)		1785716
(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		2883403

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	716481	
(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)		716481
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		-106305
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)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		0
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		610176

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		2273227
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		14310672

Part III Accountant's Opinion

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

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

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

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: **DELOITTE & TOUCHE LLP**

(2) EIN: **13-3891517**

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

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

Part IV Compliance Questions

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

During the plan year:

- a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....
- b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

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

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
ITT CORPORATION RETIREMENT SAVINGS PLAN FOR SALARIED EMPLOYEES	13-5158950	400

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust ITT CORP. RET. SAV. MASTER TRUST	6b Trust's EIN 133744485
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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 2013 This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>ITT AEROSPACE CONTROLS SAVINGS PLAN FOR HOURLY EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>193</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ITT CORPORATION</u>	D Employer Identification Number (EIN) <u>13-5158950</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>43-6389220</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

ITT Aerospace Controls Savings Plan for Hourly Employees

Sponsor EIN 13-5158950
Plan No. 193

Financial Statements as of December 31, 2013 and 2012,
and for the Year Ended December 31, 2013,
and Independent Auditors' Report

ITT AEROSPACE CONTROLS SAVINGS PLAN FOR HOURLY EMPLOYEES

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NOTE: All supplemental schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

ITT AEROSPACE CONTROLS SAVINGS PLAN FOR HOURLY EMPLOYEES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2013 AND 2012

	2013	2012
ASSETS:		
Participant-directed investments at fair value — Plan's interest in Master Trust	\$ -	\$ 11,089,767
Total participant-directed investments	-	11,089,767
Receivables:		
Notes receivable from participants	-	1,048,369
Participant contributions receivable	-	4,712
Employer contributions receivable	-	902
Total receivables	-	1,053,983
NET ASSETS REFLECTING ALL INVESTMENTS AT FAIR VALUE	-	12,143,750
ADJUSTMENT FROM FAIR VALUE TO CONTRACT VALUE FOR FULLY BENEFIT-RESPONSIVE STABLE VALUE FUND	-	(71,211)
NET ASSETS AVAILABLE FOR BENEFITS	\$ -	\$ 12,072,539

See notes to financial statements.

ITT AEROSPACE CONTROLS SAVINGS PLAN FOR HOURLY EMPLOYEES

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2013

INVESTMENT INCOME — Plan's interest in Master Trust investment income	\$ 1,857,977
Net investment income	<u>1,857,977</u>
INTEREST INCOME ON NOTES RECEIVABLE FROM PARTICIPANTS	<u>45,849</u>
CONTRIBUTIONS:	
Participant	801,850
Employer	<u>249,988</u>
Total contributions	<u>1,051,838</u>
DEDUCTIONS:	
Benefits paid to participants	716,481
Administrative expenses	<u>1,050</u>
Total deductions	<u>717,531</u>
INCREASE IN NET ASSETS AVAILABLE FOR BENEFITS PRIOR TO PLAN MERGER	2,238,133
PLAN MERGER (see Note 1)	(14,310,672)
NET DECREASE	(12,072,539)
NET ASSETS AVAILABLE FOR BENEFITS — Beginning of year	<u>12,072,539</u>
NET ASSETS AVAILABLE FOR BENEFITS — End of year	<u>\$ -</u>

See notes to financial statements.

ITT AEROSPACE CONTROLS SAVINGS PLAN FOR HOURLY EMPLOYEES

NOTES TO FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2013 AND 2012, AND FOR THE YEAR ENDED DECEMBER 31, 2013

1. DESCRIPTION OF THE PLAN

The following description of the ITT Aerospace Controls Savings Plan for Hourly Employees (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General

The Plan is a defined contribution plan covering hourly employees of ITT Aerospace Controls, a division of ITT Corporation (ITT, the "Company" or "Plan Sponsor"). The Benefits Administration Committee, as appointed by the Board of Directors of the Company, controls and manages the operation and administration of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The Plan trustee is JP Morgan Chase Bank, N.A. ("JP Morgan"). The ITT Corporation Retirement Savings Master Trust (the "Master Trust") was created by the Company to serve this and other Company savings plans. JP Morgan is the trustee and custodian of the Master Trust.

Plan Merger

On December 31, 2013, the Plan was merged into the ITT Corporation Retirement Savings Plan for Salaried Employees ("ITT RSP") and assets totaling \$14,310,672 were transferred into the ITT RSP.

Eligibility

All regular full-time hourly employees of ITT Aerospace Controls become eligible to participate in the Plan on the first day of the month immediately following the completion of 30 days of service.

Participant Contributions

A participant may generally elect to contribute 2% to 25% of base salary. A participant may designate savings as before-tax savings, after-tax savings, or any combination of the two. A participant who is a highly compensated employee may be limited to contributions of less than 25% of base salary due to the operation of certain tests required under the Internal Revenue Code (the "Code"). In addition, a participant making the maximum elective contributions under the Plan, who has attained the age of 50, may elect to contribute additional before-tax catch-up contributions in accordance with and under the limitations of the Code. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

Employer Contributions

The Company matching contribution for the Plan is 50% of the first 6% contributed by a participant.

Participant Accounts

Individual accounts are maintained for each Plan participant. Each participant's account is credited with the participant's contribution, the Company matching contribution, and investment returns based on the participant investment direction, and charged with withdrawals and an allocation of Plan administrative expenses. Allocations are based on participant earnings or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Investments

The investment of participant and Company matching contributions are participant directed. Participant contributions can be invested in any or all of the various investment funds available in the Plan. In addition, participants can elect to have all or a portion of their Company matching contributions

invested in the ITT Stock Fund held in the Master Trust (participant contributions may not be invested in the ITT Stock Fund). Participants may elect to allocate contributions among available investment options in multiples of 1%. Participants may elect to transfer all or any portion of the value of their account among available investment funds in multiples of 1%. Participants are limited to a maximum of 20% of their account balance and not more than 20% of future Company matching contributions in the ITT Stock Fund.

Plan participants were notified that the Xylem Inc. Stock Fund and ITT Exelis Stock Fund were no longer offered as an investment option effective November 16, 2012, and were asked to sell these assets and reallocate the balance to another investment alternative offered by the Plan. If the balances in the Xylem Inc. Stock Fund and ITT Exelis Stock Fund were not reallocated by November 16, 2012, those funds were sold and transferred to one of the JPMCB Smart Retirement target date funds based on the birthdate of the Plan participant.

Vesting

The participant's interest in their contributions, plus actual earnings thereon, is fully vested at all times. The Company matching contribution portion of the participant's account is vested 20% per year. A participant's account is 100% vested after five years of service.

Forfeited Accounts

As of December 31, 2013 and 2012, forfeited accounts totaled \$0 and \$1,430, respectively. These accounts will be used to reduce future Company matching contributions or pay Plan administrative expenses. During the year ended December 31, 2013, forfeitures were not used to reduce Company matching contributions or to pay administrative expenses. At December 31, 2013, the forfeited accounts were transferred to the ITT RSP as part of the Plan merger.

Effective December 20, 2013, amounts forfeited due to the Plan's inability to locate the person to whom a benefit is due or due to an uncashed check, shall be used to reduce future Company contributions to the Plan and pay Plan expenses. At December 31, 2013, these forfeitures were transferred to ITT RSP as part of the Plan merger.

Notes Receivable from Participants

The Plan allows participants to borrow from their accounts subject to certain limitations. Participants may borrow in increments of \$1,000 up to a maximum of \$50,000 or 50% of their account balance, whichever is less, reduced by the participant's highest outstanding loan balance under all plans of the Company. The loans are secured by the balance in the participant's account and accrue interest at a rate fixed at origination equal to prime plus 1%. General purpose loan terms range from one month to 60 months. If the loan is used for the purchase of a primary residence, the loan term can be for a period of up to 180 months. Principal and interest are paid ratably through monthly or quarterly payroll deductions. Participants may have up to two loans outstanding at the same time. A terminated participant may continue to make periodic repayment on their loans after separation; however, no new loans can be requested after termination of employment.

Payment of Benefits

Upon termination of employment, if account balances are \$5,000 or less, the participant will receive a lump-sum distribution. If account balances exceed \$5,000, the participant may choose to leave the benefits in the Plan or have the benefits dispersed through a lump-sum distribution or fixed period or life expectancy installment payments.

Active participants are allowed to withdraw any portion of after-tax participant contributions, participant rollover contributions, and vested Company matching contributions, subject to Plan provisions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties

The Master Trust utilizes various investment instruments, including common stock, common collective trusts (CCTs), and mutual funds. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that values realized at the time of sale could materially differ from amounts reported in the financial statements.

Investment Valuation and Income Recognition

The Plan's interest in the Master Trust is stated at fair value, which has been determined based on the fair value of the underlying investments of the Master Trust. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for a description of the valuation methods. The stable value fund is stated at fair value and then adjusted to contract value as described below. Fair value of the stable value fund is the net asset value (NAV) of its underlying investments, and contract value is principal plus accrued interest.

The stable value fund is included at fair value in participant-directed investments in the statements of net assets available for benefits, and an additional line item is presented representing the adjustment from fair value to contract value. The statement of changes in net assets available for benefits is presented on a contract value basis.

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

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Delinquent participant loans are recorded as distributions based on the terms of the Plan document.

Contributions Receivable

The Plan accrues contributions receivable based on the period of participants' service to the Company.

Administrative Expenses

The Plan Sponsor provides accounting and other administrative services to the Plan at no charge. Administrative expenses of the Plan are paid by the Plan or the Company as provided for in the Plan document.

Management fees and operating expenses charged to the Plan for investments in mutual funds and CCTs are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Benefits Paid to Participants

Benefit payments to participants are recorded upon distribution.

3. FAIR VALUE MEASUREMENT

Accounting Standards Codification 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. This framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets and liabilities; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available or quoted prices in an active market for similar assets and liabilities; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Asset Valuation Techniques

Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

In certain instances, fair value is estimated using quoted market prices obtained from an external pricing service. In obtaining such data from the pricing service, the Plan has evaluated the methodologies used to develop the estimate of fair value in order to assess whether such valuations are representative of fair value, including NAV. Additionally, in certain circumstances, the Plan may adjust NAV reported by an asset manager when sufficient evidence indicates NAV is not representative of fair value.

The following is a description of the valuation methodologies used to measure the Master Trust's assets at fair value:

- CCTs — CCTs invest in debt and equity securities, the mix of which varies by fund, and are reported at NAV as of the measurement date. The NAV as provided by the trustee is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. These funds are generally classified within Level 2 of the fair value hierarchy.
- Mutual funds — Valued at quoted market prices that represent the NAV of shares held by the Master Trust at the measurement date. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded. These are generally classified within Level 1 of the fair value hierarchy.
- Equities — Common stock is valued at the closing price reported on the major market on which the individual securities are traded at the measurement date. The ITT Stock Fund is a separately managed account that invests primarily in ITT Corporation's common stock. The stock is traded on the New York Stock Exchange (NYSE) under the ticker symbol ITT and is valued at its NAV. The NAV of the stock fund is computed based on the closing price of the common stock reported by the NYSE at the measurement date, plus the NAV of the short-term money market included in the stock fund, plus any receivables or payables, divided by the number of units outstanding. This fund is generally classified within level 1 of the fair value hierarchy.

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

The major categories of the Master Trust's investments measured at fair value by classification within the fair value hierarchy, as of December 31, 2013, are as follows:

Fair Value Measurements December 31, 2013			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
CCTs:			
JPMCB Stable Asset Income Fund —			
Select (a)	\$ -	\$ 11,208,368	\$ 11,208,368
Target date funds (b)	-	5,091,573	5,091,573
US Smart Index Fund (c)	-	11,498,396	11,498,396
	<hr/>	<hr/>	<hr/>
Total CCTs	-	27,798,337	27,798,337
	<hr/>	<hr/>	<hr/>
Mutual funds:			
Growth funds	1,306,497	-	1,306,497
Bond funds	2,118,472	-	2,118,472
Small cap equity funds	996,576	-	996,576
International funds	1,924,281	-	1,924,281
	<hr/>	<hr/>	<hr/>
Total mutual funds	6,345,826	-	6,345,826
	<hr/>	<hr/>	<hr/>
Equities — ITT Stock Fund	-	-	-
	<hr/>	<hr/>	<hr/>
Total equities	-	-	-
	<hr/>	<hr/>	<hr/>
Total investments at fair value	<u>\$ 6,345,826</u>	<u>\$ 27,798,337</u>	<u>\$ 34,144,163</u>

The major categories of the Master Trust's investments measured at fair value by classification within the fair value hierarchy, as of December 31, 2012, are as follows:

Fair Value Measurements December 31, 2012			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
CCTs:			
JPMCB Stable Asset Income Fund —			
Select (a)	\$ -	\$ 23,721,070	\$ 23,721,070
Target date funds (b)	-	13,269,145	13,269,145
US Smart Index Fund (c)	-	19,618,846	19,618,846
	<hr/>	<hr/>	<hr/>
Total CCTs	-	56,609,061	56,609,061
	<hr/>	<hr/>	<hr/>
Mutual funds:			
Growth funds	2,833,475	-	2,833,475
Bond funds	5,516,976	-	5,516,976
Small cap equity funds	866,987	-	866,987
International funds	3,751,361	-	3,751,361
	<hr/>	<hr/>	<hr/>
Total mutual funds	12,968,799	-	12,968,799
	<hr/>	<hr/>	<hr/>
Equities — ITT Stock Fund	961,230	-	961,230
	<hr/>	<hr/>	<hr/>
Total equities	961,230	-	961,230
	<hr/>	<hr/>	<hr/>
Total investments at fair value	<u>\$ 13,930,029</u>	<u>\$ 56,609,061</u>	<u>\$ 70,539,090</u>

The fair values of the Level 2 investments have been estimated using the NAV of the investment. These investments have a daily redemption frequency, no unfunded commitments, no redemption notice period, and no other redemption restrictions.

- (a) The fund seeks to preserve the value of money invested by investing in a fixed income portfolio combined with investment contracts called benefit responsive contracts ("wrap contracts"). The wrap contracts are issued by insurance companies and banks to provide principal preservation regardless of market conditions. The fixed income portfolio consists of investment grade fixed income securities, primarily U.S. Treasury, agency, corporate, mortgage-backed, asset-backed and privately placed mortgage debt.
- (b) The funds seek total return by investing in debt and equity securities, the mix of which changes over time as the funds approach and pass the target retirement date.
- (c) The fund seeks to maximize total return by investing in a diversified portfolio of large company U.S. stocks. The fund is actively managed.

Transfers Between 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.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. There were no transfers between levels for the years ended December 31, 2013 and 2012.

4. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information of the Plan as of December 31, 2013 and 2012, and for the year ended December 31, 2013, included in the Plan's financial statements and supplemental schedule, that was prepared by or derived from information prepared by JP Morgan, the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

	2013	2012
Statements of Net Assets Available for Benefits		
Investments at fair value — Plan's interest in Master Trust	\$ -	\$ 11,089,767
Adjustment from fair value to contract value for fully benefit-responsive stable value fund	\$ -	(71,211)
Statement of Changes in Net Assets Available for Benefits		
Plan's interest in Master Trust investment income	\$ 1,857,977	
Interest income on notes receivable from participants	45,849	

Notes 3, 5, and 6: All investment balances and investment information, excluding the classification and level of investments in Note 3

5. MASTER TRUST

All of the Plan's investments consist of an undivided interest in an investment account of the Master Trust established by the Company and administered by JP Morgan as of December 31, 2013 and 2012, and for the year ended December 31, 2013. The Master Trust includes the combined assets of the Plan as well as several other employee benefit plans sponsored by the Company and its subsidiaries (collectively, the "Participating Plans"). Use of the Master Trust permits the commingling of Plan assets with the assets of other Participating Plans for investment and administrative purposes. Although Plan assets are commingled in the Master Trust, the trustee maintains supporting records for the purpose of allocating the net income or loss of the Master Trust to the Participating Plans. The net investment income (loss) of the investment assets is allocated by the trustee to each Participating Plan based on the relationship of the interest of each Participating Plan to the total interests of the Participating Plans.

The fair value of investments in the Master Trust as of December 31, 2013 and 2012, are summarized as follows:

	2013	2012
Assets:		
CCTs:		
JPMCB Stable Asset Income Fund — Select	\$ 11,208,368	\$ 23,721,070
Target date funds	5,091,573	13,269,145
US Smart Index Fund	<u>11,498,396</u>	<u>19,618,846</u>
Total CCTs	<u>27,798,337</u>	<u>56,609,061</u>
Mutual funds:		
Growth funds	1,306,497	2,833,475
Bond funds	2,118,472	5,516,976
Small cap equity funds	996,576	866,987
International funds	<u>1,924,281</u>	<u>3,751,361</u>
Total mutual funds	<u>6,345,826</u>	<u>12,968,799</u>
Equities:		
ITT Stock Fund	<u>-</u>	<u>961,230</u>
Total equities	<u>-</u>	<u>961,230</u>
Total investments at fair value	<u>34,144,163</u>	<u>70,539,090</u>
Net assets of the Master Trust	<u>\$ 34,144,163</u>	<u>\$ 70,539,090</u>
Plan's interest in net assets of the Master Trust	<u>\$ -</u>	<u>\$ 11,089,767</u>
Plan's interest in Master Trust as a percentage of the total	<u>0.00 %</u>	<u>15.72 %</u>

The net investment income of the Master Trust for the year ended December 31, 2013, is summarized below:

Net appreciation (depreciation) in investments:	
CCTs:	
JPMCB Stable Asset Income Fund — Select	\$ (103,875)
Target date funds	2,260,955
US Smart Index Fund	<u>6,159,462</u>
Total CCTs	<u>8,316,542</u>
Mutual funds:	
Growth funds	945,243
Bond funds	(308,999)
Small cap equity funds	311,254
International funds	<u>710,051</u>
Total mutual funds	<u>1,657,549</u>
Equities:	
ITT Stock Fund	<u>808,126</u>
Total equities	<u>808,126</u>
Net appreciation of investments	10,782,217
Interest income	1,447
Dividend income	567,538
Administrative expenses	<u>(4,275)</u>
Net investment income of Master Trust	<u>\$ 11,346,927</u>
Plan's interest in Master Trust's investment income	<u><u>\$ 1,857,977</u></u>

The fair value of investments that represented 5% or more of the Master Trust's net assets available for benefits as of December 31, 2013 and 2012, is as follows:

	2013	2012
** JPMCB Stable Asset Income Fund — Select	\$ 11,231,863	\$ 23,296,529
US Smart Index Fund	11,498,396	19,618,846
* JPMCB SmartRetirement 2025	3,058,404	6,942,737
PIMCO Total Return — Admin	1,988,613	4,826,179
* Permitted party-in-interest		
** Investment shown at contract value		

6. STABLE VALUE FUND

The Master Trust invests in the JPMCB Stable Asset Income Fund – Select (the “Fund”), which is a stable value fund sponsored by JP Morgan. The beneficial interest of each participant is represented by units. Units are issued and redeemed daily at the Fund's constant NAV of \$1 per unit. Distribution to the

Fund's unit holders is declared daily from the net investment income and automatically reinvested in the Fund on a monthly basis, when paid.

Participants ordinarily may direct the withdrawal or transfer of all or a portion of their investment at contract value. Contract value represents contributions made to the Fund, plus earnings, less participant withdrawals and administrative expenses. The Fund imposes certain restrictions on the Plan, and the Fund itself may be subject to circumstances that affect its ability to transact at contract value as described in the following paragraphs. Plan management believes that the occurrence of events that would cause the Fund to transact at less than contract value is not probable.

Limitations on the Ability of the Fund to Transact at Contract Value

Restrictions on the Plan

Participant-initiated transactions are those transactions allowed by the Plan, including withdrawals for benefits, loans, or transfers to noncompeting funds within a plan, but excluding withdrawals that are deemed to be caused by the actions of the Plan Sponsor. The following employer-initiated events may limit the ability of the Fund to transact at contract value:

- A failure of the Plan or its trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA
- Any communication given to Plan participants designed to influence a participant not to invest in the Fund or to transfer assets out of the Fund
- Any transfer of assets from the Fund directly into a competing investment option
- The establishment of a defined contribution plan that competes with the Plan for employee contributions
- Complete or partial termination of the Plan or its merger with another plan

Circumstances That Affect the Fund

The Fund invests in assets, typically fixed income securities or bond funds, and enters into "wrapper" contracts issued by third parties. A wrap contract is an agreement by another party, such as a bank or insurance company to make payments to the Fund in certain circumstances. Wrap contracts are designed to allow a stable value portfolio to maintain a constant NAV and protect a portfolio in extreme circumstances. In a typical wrap contract, the wrap issuer agrees to pay a portfolio the difference between the contract value and the market value of the underlying assets once the market value has been totally exhausted.

The wrap contracts generally contain provisions that limit the ability of the Fund to transact at contract value upon the occurrence of certain events. These events include:

- Any substantive modification of the Fund or the administration of the Fund that is not consented to by the wrap issuer
- Any change in law, regulation, or administrative ruling applicable to a plan that could have a material adverse effect on the Fund's cash flow
- Employer-initiated transactions by participating plans as described above

In the event that wrap contracts fail to perform as intended, the Fund's NAV may decline if the market value of its assets declines. The Fund's ability to receive amounts due pursuant to these wrap contracts is dependent on the third-party issuer's ability to meet their financial obligations. The wrap issuer's ability to meet its contractual obligations under the wrap contracts may be affected by future economic and regulatory developments.

The Fund is unlikely to maintain a stable NAV if, for any reason, it cannot obtain or maintain wrap contracts covering all of its underlying assets. This could result from the Fund's inability to promptly find

a replacement wrap contract following termination of a wrap contract. Wrap contracts are not transferable and have no trading market. There are a limited number of wrap issuers. The Fund may lose the benefit of wrap contracts on any portion of its assets in default in excess of a certain percentage of portfolio assets.

7. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain Master Trust investments are funds managed by JP Morgan. JP Morgan is the trustee of the Master Trust and custodian of the Master Trust's investment assets and JP Morgan Retirement Plan Services is the recordkeeper. Therefore, these assets and related transactions qualify as exempt party-in-interest transactions.

Participant loans also qualify as party-in-interest transactions and amounted to \$0 and \$1,048,369 as of December 31, 2013 and 2012, respectively.

8. PLAN TERMINATION

As discussed in Note 1, the Plan merged into the ITT Corporation Retirement Savings Plan for Salaried Employees on December 31, 2013. Although it has not expressed any intention to do so, the Company has the right to terminate the Plan subject to the provisions set forth in ERISA. If the Plan is terminated for any reason, all accounts shall become fully vested and nonforfeitable. At the time of termination, the Plan shall be valued and distributions to participants shall be made.

9. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated April 23, 2013 that the Plan is qualified under the appropriate sections of the Code. The Plan has been amended, however, the Company and Plan management believe that the Plan is currently designed and operated in compliance with the applicable requirements of the Code, and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Plan management evaluates tax positions taken by the Plan and recognizes a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by the IRS; however, there are currently no audits for any tax periods in progress. Plan management believes it is no longer subject to income tax examinations for years prior to 2009.

10. SUBSEQUENT EVENTS

Subsequent events were evaluated through October 13, 2014, the date the financial statements were available to be issued. No significant events were noted.

11. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

A reconciliation of net assets available for benefits per the financial statements to the Form 5500 as of December 31, 2013 and 2012, is as follows:

	2013	2012
Net assets available for benefits per the financial statements	\$ -	\$ 12,072,539
Less adjustments from fair value to contract value for fully benefit-responsive stable value fund	-	71,211
Less amounts deemed distributed for tax purposes	<u>-</u>	<u>(106,305)</u>
Net assets available for benefits per Form 5500	<u>\$ -</u>	<u>\$ 12,037,445</u>
Increase in net assets available for benefits prior to plan merger per the financial statements	\$ 2,238,133	
Add change in the adjustment from fair value to contract value for fully benefit-responsive stable value fund	(71,211)	
Add amounts deemed distributed for tax purposes — December 31, 2012	106,305	
Less amounts deemed distributed for tax purposes — December 31, 2013	<u>-</u>	
Net income per Form 5500	<u>\$ 2,273,227</u>	

* * * * *

INDEPENDENT AUDITORS' REPORT

To the Trustees of and Participants in the
ITT Aerospace Controls Savings Plan for Hourly Employees:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the ITT Aerospace Controls Savings Plan for Hourly Employees (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the year ended December 31, 2013, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by JP Morgan Chase Bank, N.A. ("JP Morgan"), the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained certifications from the trustee as of December 31, 2013 and 2012, and for the year ended December 31, 2013, that the information provided to the Plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

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

Emphasis-of-Matter

As discussed in Note 1 to the financial statements, effective at the close of business December 31, 2013, the Plan was merged into the ITT Corporation Retirement Savings Plan for Salaried Employees. Our opinion is not modified with respect to this matter.

Deloitte & Touche LLP

October 13, 2014

Plan Name	ITT Aerospace Controls Savings Plan for Hourly Employees
Plan Sponsor EIN	13-5158950
ERISA Plan #	193
Plan Year Ending	12 / 31 / 2013

The required attachment marked with an “X” in the Attachment column is included within the Accountant’s Opinion attachment to Sch. H, Part III, Line 3, which consists of the entire audit report issued by the plan’s Independent Qualified Public Accountant (IQPA).

Form / Schedule	Line #	Description	Attachment
5500 Sch. H	Line 3	Financial statements used in formulating the IQPA's opinion	X
5500 Sch. H	Line 4i	Schedule of Assets (Held at End of Year)	
5500 Sch. H	Line 4i	Schedule of Assets (Acquired and Disposed of Within Year)	
5500 Sch. H	Line 4j	Schedule of Reportable Transactions	
5500 Sch. H	Line 4a	Schedule of Delinquent Participant Contributions	

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 4085 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
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Part I Annual Report Identification Information			
For calendar plan year 2013 or fiscal plan year beginning		01/01/2013	and ending
		12/31/2013	
A This return/report is for:	☐ a multiemployer plan; ☒ a single-employer plan;	☐ a multiple-employer plan; or ☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report; ☐ an amended return/report;	☒ the final return/report; ☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558; ☐ special extension (enter description)	☐ automatic extension;	☐ the DFVC program;

Part II Basic Plan Information—enter all requested information			
1a Name of plan	ITT Aerospace Controls Savings Plan For Hourly Employees		
1b Three-digit plan number (PN) ▶	193		
1c Effective date of plan	07/01/1989		
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)	2b Employer Identification Number (EIN)		
ITT Corporation	13-5158950		
1133 Westchester Avenue	2c Sponsor's telephone number		
White Plains	(914) 641-2000		
NY 10604	2d Business code (see instructions)		
	333200		

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		10/15/14	Ann Fernandes
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			Steve Giuliano
	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)
Deloitte Tax LLP			
1633 Broadway			(212) 492-3600
New York			
NY 10019			

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

Form 5500 (2013)
v. 130118

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address ITT Aerospace Controls Division 28150 Industry Drive Valencia CA 91355-5888	3b Administrator's EIN 13-5158950 3c Administrator's telephone number (661) 295-4147
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	5 430
6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a, 6b, 6c, and 6d).	
a Active participants	6a 0
b Retired or separated participants receiving benefits	6b 0
c Other retired or separated participants entitled to future benefits.....	6c 0
d Subtotal. Add lines 6a, 6b, and 6c.....	6d 0
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 0
f Total. Add lines 6d and 6e.	6f 0
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 0
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the Instructions:
 2E 2F 2G 2J 2K 2T 3H

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information - Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)