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

2014

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); 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. . . . . ▶ [ ]

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
L-3 LINK SIMULATION AND TRAINING RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 014

1c Effective date of plan 02/11/2000

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)
L-3 COMMUNICATIONS CORPORATION

600 THIRD AVENUE
NEW YORK, NY 10016-1901

2200 ARLINGTON DOWNS ROAD
ARLINGTON, TX 76011-6382

2b Employer Identification Number (EIN)
13-3937436

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

2d Business code (see instructions)
334200

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	09/09/2015	KEVIN WEISS
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [X] Same as Plan Sponsor	**3b** Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	1586
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	
a(2) Total number of active participants at the end of the plan year	**6a(2)**	765
b Retired or separated participants receiving benefits	**6b**	332
c Other retired or separated participants entitled to future benefits	**6c**	434
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	1531
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	37
f Total. Add lines **6d** and **6e**.	**6f**	1568
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**	56
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1A 1C 3F 3H

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

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1) [ ]	Insurance	**(1)** [ ]	Insurance
(2) [ ]	Code section 412(e)(3) insurance contracts	**(2)** [ ]	Code section 412(e)(3) insurance contracts
(3) [X]	Trust	**(3)** [X]	Trust
(4) [ ]	General assets of the sponsor	**(4)** [ ]	General assets of the sponsor

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

a Pension Schedules

(1) [X] **R** (Retirement Plan Information)

(2) [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary

(3) [X] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1) [X] **H** (Financial Information)

(2) [ ] **I** (Financial Information – Small Plan)

(3) [ ] ___ **A** (Insurance Information)

(4) [ ] **C** (Service Provider Information)

(5) [X] **D** (DFE/Participating Plan Information)

(6) [ ] **G** (Financial Transaction Schedules)

Part III	**Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ……..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

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

2014

This Form is Open to Public Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

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

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

A Name of plan
L-3 LINK SIMULATION AND TRAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 014

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
L-3 COMMUNICATIONS CORPORATION

D Employer Identification Number (EIN)
13-3937436

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

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

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014

2 Assets:

a Market value	**2a**	151228072
b Actuarial value	**2b**	138325736

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	318	33034527	33034527
b For terminated vested participants	404	12981702	12981702
c For active participants	864	86015499	86460042
d Total	1586	132031728	132476271

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**	6.54%
6 Target normal cost	**6**	7071010

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

07/22/2015
Date

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

14-05788
Most recent enrollment number

SIBSON CONSULTING
Firm name

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

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

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	9170075
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	9170075
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 20.10%	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		6441548
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.37 %		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		1294751
	c Total available at beginning of current plan year to add to prefunding balance		7736299
	d Portion of (c) to be added to prefunding balance		7736299
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	7736299

Part III Funding Percentages

14	Funding target attainment percentage	14	98.57 %
15	Adjusted funding target attainment percentage	15	104.41 %
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	91.91 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/14/2015	1815000		02/18/2014		1361
07/14/2015	353000		03/10/2014		1375
01/03/2014		1421	03/25/2014		1598
01/17/2014		1463	04/08/2014		1400
01/28/2014		1374	04/23/2014		1448
02/04/2014		1371	04/30/2014		1423
			Totals ► 18(b)	2168000	18(c) 35738

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	1993416

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 and 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(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of _____ %		
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
	c Total available at beginning of current plan year to add to prefunding balance		
	d Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)		

Part III Funding Percentages

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

Part IV Contributions and Liquidity Shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
06/10/2014		4303	12/09/2014		4082
07/14/2014		2773			
08/08/2014		2502			
09/08/2014		2492			
10/07/2014		2682			
10/31/2014		2670			
			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:	
4.99 %	6.32 %	6.99 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	63

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**	7071010
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	1886834	575685
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**	7646695

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	7646695	7646695

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**	1993416

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

a Total (excess, if any, of line 37 over line 36)	**38a**	1993416
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	1993416
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

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

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

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

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

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

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

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

OMB No. 1210-0110

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
L-3 LINK SIMULATION AND TRAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 014

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
L-3 COMMUNICATIONS CORPORATION

D Employer Identification Number (EIN)
13-3937436

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

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

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

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
13-3937436-020	M	156527307

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

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

2014

This Form is Open to Public Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
L-3 LINK SIMULATION AND TRAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 014

C Plan sponsor's name as shown on line 2a of Form 5500
L-3 COMMUNICATIONS CORPORATION

D Employer Identification Number (EIN)
13-3937436

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)	7332000	2168000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	0	0
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)	144117958	156527307
(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	151449958	158695307
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	173326	184135
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	173326	184135
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	151276632	158511172

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)	2168000	
(B) Participants	2a(1)(B)	35738	
(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)		2203738
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)		12836496
(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		15040234
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	6645884	
(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)		6645884
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)	1159810	
(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)		1159810
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		7805694
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		7234540
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

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

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

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

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	**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

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan
L-3 LINK SIMULATION AND TRAINING RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 014

C Plan sponsor's name as shown on line 2a of Form 5500
L-3 COMMUNICATIONS CORPORATION

D Employer Identification Number (EIN)
13-3937436

Part I Distributions

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

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

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

EIN(s): 13-7074646

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3** 19

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: 47% Investment-Grade Debt: 15% High-Yield Debt: 0% Real Estate: 5% Other: 33%

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

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

L-3 LINK SIMULATION AND TRAINING
RETIREMENT PLAN

Financial Statements as of
and for the Years Ended
December 31, 2014 and 2013

L-3 LINK SIMULATION AND TRAINING RETIREMENT PLAN
INDEX TO FINANCIAL STATEMENTS

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Financial Statements:	
Statements of Net Assets Available for Benefits as of December 31, 2014 and 2013	3
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Statements of Accumulated Plan Benefits and Changes in Accumulated Plan Benefits as of and for the Year Ended January 1, 2014	5
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Note: Supplemental schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA") have been omitted as the conditions under which they are required are not present.

Independent Auditor's Report

To the Administrator of the L-3 Link Simulation and Training Retirement Plan:

We have audited the accompanying financial statements of L-3 Link Simulation and Training Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statements of changes in net assets available for benefits for the years then ended and the statement of accumulated plan benefits as of January 1, 2014 and the related statement of changes in accumulated plan benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of December 31, 2014 and changes therein for the year then ended and its financial status as of December 31, 2013, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

September 8, 2015

L-3 LINK SIMULATION AND TRAINING RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2014 AND 2013
(Dollars in thousands)

	2014	2013
Assets:		
Interest in Master Trust, at fair value……...	$ 156,527	$ 144,118
Employer contribution receivable……	2,168	7,332
Total assets…….……..	158,695	151,450
Liabilities:		
Accrued expenses…….	184	173
Net assets available for benefits…….……..	$ 158,511	$ 151,277

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

L-3 LINK SIMULATION AND TRAINING RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(Dollars in thousands)

	2014	2013
Additions:		
Interest in Master Trust investment income	$ 12,836	$ 24,954
Employer contributions	2,168	7,332
Employee contributions	36	35
Total additions	15,040	32,321
Deductions:		
Benefit payments	6,645	5,645
Plan expenses	1,161	1,108
Total deductions	7,806	6,753
Net increase	7,234	25,568
Net assets available for benefits, beginning of year	151,277	125,709
Net assets available for benefits, end of year	$ 158,511	$ 151,277

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

L-3 LINK SIMULATION AND TRAINING RETIREMENT PLAN
STATEMENTS OF ACCUMULATED PLAN BENEFITS AND
CHANGES IN ACCUMULATED PLAN BENEFITS
AS OF AND FOR THE YEAR ENDED JANUARY 1, 2014
(Dollars in thousands)

Statement of Accumulated Plan Benefits:	**January 1, 2014**
Actuarial present value of accumulated plan benefits	
Vested benefits:	
Participants currently receiving benefits	$ 29,643
Other participants	86,722
Total vested benefits	116,365
Non-vested benefits	344
Total actuarial present value of accumulated plan benefits	$ 116,709

Statement of Changes in Accumulated Plan Benefits:	**Year Ended January 1, 2014**
Actuarial present value of accumulated plan benefits as of January 1, 2013	$ 104,622
Increase (decrease) during the year attributable to:	
Benefits accumulated and actuarial experience	3,758
Increase for interest due to decrease in discount period	8,631
Benefits paid	(5,645)
Plan amendment (Note 1)	985
Change in actuarial assumptions (Note 4)	4,358
Net increase	12,087
Actuarial present value of accumulated plan benefits as of January 1, 2014	$ 116,709

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

1. Plan Description

The following brief description of the L-3 Link Simulation and Training Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

The Plan was established effective February 11, 2000 in connection with the acquisition of the Training Devices and Training Services ("TDTS") business of Raytheon Company ("Raytheon") by L-3 Communications Corporation (the "Company"), a wholly owned subsidiary of L-3 Communications Holdings, Inc. On that date, certain participants in certain pension plans ("the Prior Plans") of Raytheon became participants in the Plan.

The Plan is generally a non-contributory defined benefit plan covering employees at certain locations of the Company. Participation in the Plan commenced after the completion of one year of service and the attainment of age 21. The grandfathered provisions of one of the Prior Plans require former participants in the contributory benefit structure of that plan to make contributions each payroll period to the Plan amounting to 3% of compensation. Active employees' accumulated contributions with interest at December 31, 2014 and 2013 were $1,144 and $1,255, respectively. Employee contributions were credited interest at a rate of 2.10% and 1.04% per annum for the years ended December 31, 2014 and 2013, respectively. The Plan is subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

The Plan is frozen with respect to new participants hired on or after January 1, 2007. As such, any employees hired on or after January 1, 2007 are not eligible to participate in the Plan.

The Retirement Plan Administrative Committee approved on September 13, 2012 to merge the L-3 Communications Infrared Products Retirement Plan ("Infrared Plan") with and into the Plan. Participants in the Infrared Plan became Plan participants effective January 1, 2013. The Infrared Plan participants whose employment terminated prior to January 1, 2013 are entitled to benefits under the terms of the Infrared Plan that were in effect on their employment date. For those Infrared employees who terminate on or after January 1, 2013, the benefits are described in the amended and restated Plan document.

In 2014, the Plan was amended effective February 11, 2000. The Plan amendment states, if a Plan participant is transferred to any business unit within the Company at any time after the effective date of the Plan, any service and compensation earned by the participant of the Plan from the date of transfer until the date of the participant's termination of employment with the Company will be treated as though earned by the participant at the business unit of the Plan.

2. Summary of Significant Accounting Policies

Basis of Accounting

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

Interest in Master Trust

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

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

Net Investment Income from Master Trust

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

Benefit Payments

Benefit payments are recorded when paid.

Plan Expenses

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

Use of Estimates

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

obligations, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results may differ from those estimates.

Risks and Uncertainties

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

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

Reclassifications

Certain reclassifications have been made to prior year amounts to conform to the current year presentation.

Recently Issued Accounting Standards

In July 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-12, which eliminates the requirement for plans to disclose (1) individual investments that represent 5 percent or more of net assets available for benefits and (2) the net appreciation or depreciation by general type. The net appreciation or depreciation in investments for the period will still be required to be presented in the aggregate, but will no longer be required to be disaggregated and disclosed by general type. ASU 2015-12 also removes the requirement to disaggregate investments of employee benefit plans by nature, characteristics and risks and will require that these investments be grouped only by general type. This update is effective for the interim and fiscal periods beginning after December 15, 2015. The adoption of this standard will not impact the Plan's statements of net assets available for benefits, statements of changes in net assets available for benefits or statements of accumulated plan benefits and changes in accumulated plan benefits.

In May 2015, the FASB issued ASU 2015-7, which removes the requirement for reporting entities to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share as a practical expedient. ASU 2015-7 also removes the requirement to make certain disclosures for all investments that are measured at fair value using the net asset value per share as a practical expedient. This update is effective for interim and fiscal periods beginning after December 15, 2016. The adoption of this standard will not

impact the Plan's statements of net assets available for benefits, statements of changes in net assets available for benefits or statements of accumulated plan benefits and changes in accumulated plan benefits.

Subsequent Events

The Plan continued to evaluate events after the Statement of Net Assets Available for Benefits date through September 8, 2015, the date the financial statements were available to be issued.

3. Contributions

Generally, the Company's funding policy is to contribute amounts in accordance with the Internal Revenue Code ("IRC") that are at least equal to the minimum funding requirements under ERISA. There was no minimum funding requirement in 2014. Contributions required from the Company in 2013 to the Plan under the minimum funding requirements of ERISA were $243. The Company's contributions met or exceeded the minimum funding requirements of ERISA in 2014 and 2013. Minimum contributions are calculated using the Unit Credit Actuarial Cost Method, as prescribed by law. Under this method, the liability is measured on an accrued-to-date basis using mandated mortality tables and interest rates with no salary projection past the end of the year. Assuming all assumptions are met (including the investment earnings implicitly assumed by the interest rate), funding the minimum required contribution is generally designed to achieve the following: (1) if the plan is underfunded, funding at the minimum level would achieve 100% funding within seven years, and then contributions would equal the target normal cost, or (2) if the plan is overfunded, there will be no required contributions unless the target normal cost exceeds the overfunding.

4. Plan Benefits

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

For those participants of the Plan not employed by Infrared Products, who did not participate in the Prior Plans, the Plan provides an annual benefit of 1.5% of Final Average Compensation multiplied by years of benefit accrual service up to 35 years less 0.6% of Covered Compensation (not in excess of Final Average Compensation) multiplied by years of benefit accrual service up to 35 years plus 0.5% of Final Average Compensation multiplied by years of benefit accrual service in excess of 35 years. Final Average Compensation is the average compensation of the highest 5 of the last 10 years. Covered Compensation is the average of the social security taxable wage bases for each calendar year during the 35 year period ending with the calendar year in which the participant attains social security retirement age. Benefits vest 100% after 5 years of cumulative service and are payable at age 65. Service in the Prior Plans is considered as service under the Plan.

The following table presents the various grandfathered benefit provisions of the Plan. These benefit provisions are consistent with the benefit provisions of the Prior Plans and have been grandfathered to those employees who previously participated in such Prior Plans.

Specific Group Covered	Normal Benefit
Former participants in the contributory benefit structure of the Raytheon Non-Bargaining Retirement Plan	The greatest of 1, 2 or 3: 1) Accrued benefit through December 31, 1975 plus 1% of the first $3.60 of compensation plus 2% of compensation in excess of $3.60 for each plan year after 1975. 2) One hundred fifty six dollars plus 0.5% of Final Average Compensation multiplied by years of benefit accrual service. 3) 1.75% of Final Average Compensation multiplied by years of benefit accrual service offset by 1.5% of the Primary Insurance Amount, as defined, multiplied by years of benefit accrual service up to 33 1/3 years.
Former participants in Raytheon Non-Bargaining Plan for former salaried employees of General Dynamics Corporation	The greatest of 1, 2 or 3: 1) 1.33% of Final Average Compensation multiplied by years of benefit accrual service up to 40 years. 2) Three hundred twelve dollars times total years of benefit accrual service. 3) Accrued benefit as of December 31, 1988 plus 1.75% of the first $23.40 of compensation plus 2% of compensation in excess of $23.40 for each plan year for the first 35 years of service, plus 2% of compensation after 35 years of service.
Former participants in Raytheon Company Pension Plan for Salaried Employees	The greatest of 1 or 2: 1) 1.8% for the first 20 years of participation plus 1.2% for each year of participation in excess of 20 years, multiplied by the excess of Final Average Earnings over the Primary Social Security Benefit, as defined. 2) Link division: Three hundred forty eight dollars per year of service plus 20% of employee contributions. Infrared division: Four hundred ninety two dollars per year of service.

Former participants in E-Systems, Inc. Salaried Employees Retirement Plan	The greatest of 1, 2 or 3: 1) 1.2% of average compensation times years of benefit service up to 10 years plus 1.6% of average compensation times years of benefit service in excess of 10 years. 2) One hundred forty four dollars times years of benefit service. 3) If participant has reached age 50 before January 1, 1991, then 1.5% times average compensation times years of benefit service, less 0.5% of the Primary Social Security Benefit, times years of benefit service.
Former participants in Raytheon E-Systems, Inc. Richardson/Waco Retirement Plan	Richardson employees: The greatest of 1, 2 or 3: 1) 1.2% of average compensation times years of benefit service up to 10 years plus 1.6% of Final Average Compensation times years of benefit service in excess of 10 years 2) One hundred forty four dollars times years of benefit service. 3) The benefit accrued, if any, under the excess formula prior to December 31, 1996. Waco employees: 1% of Final Average Compensation times years of benefit service up to 35 years plus 0.4% of Final Average Compensation in excess of 150% of Covered Compensation times years of benefit service up to 35 years.
Former participants in Raytheon TI Systems Employees Pension Plan	The greatest of 1 or 2: 1) 1.5% of Average Credited Earnings, as defined, times years of service minus a retirement age factor, ranging from 65% to 75%, times Final Average Earnings times years of service up to 35 years. 2) Eighty four dollars times years of benefit service.
Former participants in Hughes Personal Retirement Account Plan	Frozen account balance growing at the rate of the Minimum Adjustment Percentage, as defined, and converted to an annuity on the distribution date.

The Plan permits early retirement for participants at ages 55 to 64 with at least 5 or more years of service, depending on which set of grandfathered benefit provisions is applicable to the participant. Under all provisions, the benefit may begin at the date of early retirement, reduced by a certain percentage for each year by which commencement of benefits precedes the normal retirement date, age 65. Retirees may elect to receive their pension benefits in the form of a joint

and survivor annuity or a life annuity payable monthly from the date of retirement. Other available forms of payment vary by grandfathered provisions. Under the joint and survivor annuity, if a vested participant dies prior to the date pension benefits commence, the surviving spouse of the deceased vested participant generally receives benefits equal to 50% of the amount which would have been payable to the retiree under the applicable joint and survivor annuity. Under the life annuity, there are no continuing payments after the death of the retiree. If participants are terminated before completing 5 years of service, they forfeit the right to receive their accumulated benefits.

The actuarial present value of the accumulated plan benefits is determined by an independent actuary and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The significant actuarial assumptions used in the valuations as of January 1, 2014 and 2013 were:

Mortality basis	2014: Total Collar RP-2014 Mortality Table (adjusted back to 2006), projected generationally with the 2014 SSA Intermediate – Cost Projections Scale. 2013: RP-2000 Annuitant and Non-Annuitant Tables (sex-specific) with static projection through the valuation date plus another 7 years for annuitants and 15 years for non-annuitants.
Retirement	Retirement at ages 55 through 70, at varying rates, with 100% by age 70.
Interest rate for the determination of the present value of accumulated plan benefits	8.25%

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors may be applicable in determining the actuarial present value of accumulated plan benefits. The computation of the actuarial present value of accumulated plan benefits was made as of January 1, 2014.

5. Master Trust Investments

The fair value of the assets and liabilities of the Master Trust at December 31, 2014 and 2013 is presented in the table below. The Plan's percentage interest in the Master Trust was 6.8% at December 31, 2014 and 2013.

	2014	2013
Equity securities	$ 1,438,681	$ 1,360,074
Fixed income securities	317,286	291,544
Mutual fund	204,037	192,642
Commingled trust fund	142,471	147,572
Short term investments	211,207	152,361
Forward contracts	23	(103)
Cash	300	702
Accrued income	5,282	5,430
Receivable for unsettled trades	3,645	4,178
Payable for unsettled trades	(22,403)	(21,257)
	$ 2,300,529	$ 2,133,143

The following presents the investment income of the Master Trust for the years ended December 31, 2014 and 2013.

	2014	2013
Net appreciation of investments	$ 139,515	$ 320,057
Interest	13,533	9,875
Dividends	37,835	35,802
Other	55	409
	$ 190,938	$ 366,143

The following presents the net appreciation (depreciation) in fair value of the Master Trust's investments, including realized gains and losses, and the unrealized appreciation and depreciation of investments for the years ended December 31, 2014 and 2013.

	2014	2013
Equity securities	$ 141,101	$ 305,758
Fixed income securities	1,521	1,583
Mutual fund	6,230	(9,053)
Commingled trust fund	(9,695)	21,431
Forward contracts	298	104
Other	60	234
	$ 139,515	$ 320,057

The Plan, through the Master Trust, may enter into foreign currency forward exchange contracts primarily to hedge against foreign currency exchange rate risks on its non-U.S dollar denominated investment securities. When entering into a foreign currency forward contract, the Plan agrees to receive or deliver a fixed quantity of foreign currency for an agreed-upon price on an agreed future date. The Plan's net equity therein, representing unrealized gain or loss on the contracts, as measured by the difference between the forward foreign exchange rates at the dates of entry in the contracts and the forward foreign exchange rates at the reporting date is included in Plan's statement of net assets available for benefits. Realized and unrealized gains and losses are included in the Plan's statement of changes in net assets available for benefits. These instruments involve market and/or credit risks. The Plan, through the Master Trust, manages exposure to credit risk by entering into foreign currency forward exchange contracts only with major institutions that are expected to fully perform under the terms of such contracts. The average notional amounts for the years ended December 31, 2014 and 2013 were $6,246 and $4,047, respectively.

At December 31, 2014 and 2013, the Plan had the following foreign currency forward exchange contracts.

	2014			2013		
	Asset	Liability	U.S. Dollar Notional	Asset	Liability	U.S. Dollar Notional
Foreign currency forward exchange contracts	$ 23	$ —	$ 3,298	$ —	$ 103	$ 4,020

6. Fair Value Measurements

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

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

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

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

The table below reports by level, within the fair value hierarchy, the assets held in the Master Trust at fair value as of December 31, 2014 and 2013, including a description of the valuation methodologies. As required by the standards, each asset is classified based on the lowest level of input that is significant to the fair value measurement. There have been no changes in the methodologies used at December 31, 2014 and 2013. There were no transfers between Levels 1, 2 or 3 during the years ended December 31, 2014 and 2013.

Asset Category	Fair Value Measured at December 31, 2014				Fair Value Measured at December 31, 2013			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Equity securities[1]:								
U.S. Equity	$ 1,189,565	$ —	$ —	$ 1,189,565	$ 1,160,574	$ —	$ —	$ 1,160,574
International Equity	87,911	142,471	—	230,382	79,779	147,572	—	227,351
Fixed Income — Investment Grade[2]	240,731	158,797	—	399,528	219,901	151,595	—	371,496
Fixed Income — High Yield[3]	—	121,795	—	121,795	—	112,690	—	112,690
REITs[4]	161,205	—	—	161,205	119,721	—	—	119,721
Other[5]	—	211,230	—	211,230	—	152,258	—	152,258
Total assets at fair value	$ 1,679,412	$ 634,293	$ —	$ 2,313,705	$ 1,579,975	$ 564,115	$ —	$ 2,144,090
Accrued income, cash and net unsettled trades				(13,176)				(10,947)
Total Master Trust Investments				$ 2,300,529				$ 2,133,143

(1) Equity securities consist of investments in common stock of U.S. and international companies. The fair value of equity securities is based on quoted market prices available in active markets at the close of a trading day, primarily the New York Stock Exchange (NYSE), National Association of Securities Dealers Automated Quotations (NASDAQ), and various international exchanges. The Level 2 investment balance is derived from a regulated commingled equity trust fund, which fair value is based on the net asset value (NAV) at the end of each month. The NAV is calculated by the fund manager based on the fair value of the fund's holdings, primarily equity securities traded in active markets, determined as of the end of each month as a practical expedient to estimating fair value. 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. Withdrawals are permitted monthly, with notice by the 20th day of each month, based on NAV.

(2) Approximately 60% at December 31, 2014 and 59% at December 31, 2013 of plan assets that are invested in the Fixed Income — Investment Grade asset category consist of a mutual fund offered by a registered investment company (the "Fund") and fixed income securities. The Fund invests in investment grade fixed income securities, mortgaged-backed securities, U.S. treasury and agency bonds and corporate bonds. The fund is classified by the Company as a Level 1 measurement within the fair value hierarchy, as the mutual fund trades on an active market and daily, quoted prices are available. The remaining 40% at December 31, 2014 and 41% at December 31, 2013 of plan assets are fixed income securities, primarily investment grade corporate bonds from various industries held directly by the plan. The fair value of these investments are based on yields currently available on comparable bonds of issuers with similar credit ratings, quoted prices of similar bonds in an active market, or cash flows based on observable inputs and are classified as level 2.

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

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

(5) Other is classified as level 2 consists primarily of money market accounts, which invest primarily in short term, high quality money market securities such as government obligations, commercial paper, time deposits and certificates of deposit.

7. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated July 28, 2008, that the Plan is designed in accordance with the applicable sections of the IRC. The Plan has been amended since receiving the determination letter. The Plan administrator and the Plan's counsel believe that the Plan is designed and is currently being operated in compliance with the applicable regulations of the IRC; therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed the tax positions by the Plan, and has concluded that as of December 31, 2014, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to the year ended December 31, 2011.

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

8. Related-Party Transactions

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

9. Termination Priorities

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

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

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

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

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

d. All vested and non-vested benefits.

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

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

2014

This Form is Open to Public Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

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

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

A Name of plan
L-3 Link Simulation and Training Retirement Plan

B Three-digit plan number (PN) ▶ 014

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
L-3 Communications Corporation

D Employer Identification Number (EIN)
13-3937436

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

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

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2014

2 Assets:

a Market value	**2a**	151228072
b Actuarial value	**2b**	138325736

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	318	33034527	33034527
b For terminated vested participants	404	12981702	12981702
c For active participants	864	86015499	86460042
d Total	1586	132031728	132476271

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**	6.54%
6 Target normal cost	**6**	7071010

Statement by Enrolled Actuary

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

SIGN HERE Jimmy Mak JM — Signature of actuary — 07/22/2015 — Date

JIMMY MAK, ASA, MAAA — Type or print name of actuary — 1405788 — Most recent enrollment number

SIBSON CONSULTING — Firm name — 212-251-5000 — Telephone number (including area code)

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

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

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	9170075
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	9170075
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 20.10%	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		6441548
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 6.37%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		1294751
	c Total available at beginning of current plan year to add to prefunding balance		7736299
	d Portion of (c) to be added to prefunding balance		7736299
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	7736299

Part III Funding Percentages

14	Funding target attainment percentage	14	98.57%
15	Adjusted funding target attainment percentage	15	104.41%
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	91.91%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

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

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/14/2015	1815000		08/08/2014		2502
07/14/2015	353000		09/08/2014		2492
01/03/2014		1421	10/07/2014		2682
01/17/2014		1463	10/31/2014		2670
01/28/2014		1374	12/09/2014		4082
02/04/2014		1371			
02/18/2014		1361			
03/10/2014		1375			
03/25/2014		1598			
04/08/2014		1400			
04/23/2014		1448			
04/30/2014		1423			
06/10/2014		4303			
07/14/2014		2773			
			Totals ► 18(b)	2168000	18(c) 35738

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	1993416

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: 4.99%	2nd segment: 6.32%	3rd segment: 6.99%	☐ N/A, full yield curve used
b Applicable month (enter code)			**21b**	4
22 Weighted average retirement age			**22**	63

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**	7071010
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	1886834	575685
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**	7646695

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	7646695	7646695

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**	1993416

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

a Total (excess, if any, of line 37 over line 36)	**38a**	1993416
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	1993416
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**	

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Line 26 – Schedule of Active Participant Data
L-3 Link Simulation and Training Retirement Plan
EIN 13-3937436 PN 014

Participants in Active Service by Age and Years of Benefit Service as of January 1, 2014

	Years of Benefit Service									
Age	Less than 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over
Under 25	--	--	--	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--	--	--
25-29	--	--	3	--	--	--	--	--	--	--
	--	--	--	--	--	--	--	--	--	--
30-34	--	1	30	4	--	--	--	--	--	--
	--	--	--	--	--	--	--	--	--	--
35-39	--	1	23	9	5	1	--	--	--	--
	--	--	--	--	--	--	--	--	--	--
40-44	--	--	16	26	21	3	1	--	--	--
	--	--	--	--	--	--	--	--	--	--
45-49	--	4	25	25	27	7	6	1	--	--
	--	--	--	--	--	--	--	--	--	--
50-54	--	3	38	47	61	14	16	6	1	--
	--	--	--	--	--	--	--	--	--	--
55-59	--	4	37	25	70	10	16	7	--	--
	--	--	--	--	--	--	--	--	--	--
60-64	--	2	18	18	59	5	6	7	2	--
	--	--	--	--	--	--	--	--	--	--
65-69	--	--	5	11	17	1	2	--	2	--
	--	--	--	--	--	--	--	--	--	--
70 & Over	--	--	--	--	4	1	1	3	--	--
	--	--	--	--	--	--	--	--	--	--

NOTE: Frozen active participants are not included.

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
L-3 Link Simulation and Training Retirement Plan
EIN 13-3937436 PN 014

Actuarial Assumptions and Methodologies (Funding)

Interest:

The interest rates used for the 2014 plan year are the 24-month average corporate bond segment rates for September 2013 (a 4-month lookback) subject to funding stabilization. Under stabilization, the interest rates used for funding purposes are calculated in the usual manner (24-month average corporate bond rates) but are then constrained to be within a corridor around a 25-year average of those same bond rates. For 2014, the stabilization corridor is 10%. It will remain at 10% through 2017, then increase by 5% per year until it reaches 30% for 2021. The rates are as follows:

	Payments in the First 5 Years	Payments in Years 6 – 20	Payments Thereafter	Effective Interest Rate
Current Year, reflecting stabilization (under HATFA)	4.99%	6.32%	6.99%	6.54%
Current Year, without stabilization	1.37%	4.05%	5.06%	4.45%
Prior Year, reflecting stabilization (under MAP-21)	4.94%	6.15%	6.76%	6.37%
Prior Year, without stabilization	1.75%	4.62%	5.72%	5.05%

The segment rates used to determine the PBGC variable rate premium are as follows:

	Payments in the First 5 Years	Payments in Years 6 – 20	Payments Thereafter
Current Year	1.25%	4.57%	5.60%
Prior Year	1.75%	4.62%	5.72%

Attachment to 2014 Schedule SB of Form 5500
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Actuarial Assumptions and Methodologies (Funding) *continued*

Mortality rates:	RP2000 separate annuitant and non-annuitant healthy mortality tables (sex-specific) with static projection using Scale AA and no collar-adjustment. Mortality is projected through the valuation date plus another 7 years for annuitants, and through the valuation date plus another 15 years for non-annuitants. This assumption is one of the choices allowed by the regulations.
Salary Increases:	3.50%
Cost of Living Increases:	2.50%
Taxable Wage Base Increase:	3.00%
Interest on Employee Contributions:	3.0% (unchanged)
Personal Retirement Account interest credit:	3.0% (unchanged)
Sample termination rates:	

	Link Simulation and Training		Infrared Products	
Age	Male	Female	Male	Female
20	23.80%	23.50%	10.20%	10.20%
25	19.00	17.20	10.20	10.20
30	14.20	11.90	7.30	7.30
35	13.50	7.70	5.40	5.40
40	9.25	4.90	4.10	4.10
45	5.75	2.90	3.30	3.30
50	4.50	1.50	2.70	2.70
55	2.70	0.90	2.20	2.20
60	0.00	0.00	1.90	1.90

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
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Actuarial Assumptions and Methodologies (Funding) *continued*

Retirement (from active status) rates:

	Link Simulation and Training		Infrared Products
Age	Rate	Rate: Contributory Plan with Rule of 75	Rate
55	5.00%	10.00%	2.50%
56	4.00	15.00	2.50
57	4.00	20.00	2.50
58	4.00	25.00	5.00
59	4.00	30.00	5.00
60	10.00	35.00	7.50
61	10.00	40.00	5.00
62	15.00	60.00	15.00
63-64	10.00	50.00	5.00
65	35.00	35.00	35.00
66-69	20.00	20.00	20.00
70	100.00	100.00	100.00

Retirement age for termination vested:	65
Assumed form of benefit:	(1) For a married participant: 50% Qualified Joint and Survivor annuity with actuarial equivalence for Early Retirement and Joint & Survivor factors. For E-Systems Salaried & NRPB (the latter being the non-contributory participants of the plan, whose provisions are detailed on pages 6-1 through 6-4 and page 6-8), the actuarial equivalence is dependent on assumed interest factors that vary each year. (2) For a single participant: a straight life annuity (3) 100% of RTIS participants are assumed to elect payment in the form of a lump sum, as are those participants retiring with PRA accounts. As prescribed by proposed regulations, lump sums are valued based on the interest rate implied by the funding yield curve and the current year mandated mortality table for lump-sum conversion.
Percent married:	70% for male participants, 55% for female participants

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Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
L-3 Link Simulation and Training Retirement Plan
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Actuarial Assumptions and Methodologies (Funding) *continued*

Age difference:	For inactive participants for whom a spouse's date of birth was not provided, and for active participants, it was assumed that husbands were 3 year(s) older than their wives.
Administrative expenses:	An expense assumption is required under the funding rules. Plan-related expenses of $750,000 ($600,000 for Link Simulation & Training and $150,000 for Infrared Products) are expected to be paid by the plan during the year.
Asset method:	As selected by the plan sponsor, assets are determined by averaging the market value as of the valuation date and the adjusted market values as of the preceding two years. The resulting value is limited to between 90% to 110% of market value of assets. The adjusted market values reflect cash flow and expected earnings to the valuation date. The expected earnings are based on an assumed rate of return of 7.50%, not to exceed the applicable third segment rate of 7.52% in 2012 and 6.76% in 2013.
Funding method:	Funding method is unit credit actuarial cost method, as prescribed by law. The liability is measured on an accrual-to-date basis using mandated mortality tables and interest rates with no salary projection past the end of the year.

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Part V – Summary of Plan Provisions
L-3 Link Simulation and Training Retirement Plan
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Summary of Plan Provisions

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

PLAN STATUS: THE PLAN IS CLOSED TO EMPLOYEES HIRED ON OR AFTER JANUARY 1, 2007. EMPLOYEES HIRED PRIOR TO JANUARY 1, 2007 WILL RECEIVE ONGOING ACCRUALS.	
Groups covered:	
	All L-3 Link Simulation and Training employees in the Devices division and the formerly L-3 Communications Infrared Products Retirement Plan participants.
New Hires and former Participants in the Non-Contributory Benefit Structure of The Raytheon Non-Bargaining Pension Plan (NRPB) – (*Plan Doc. Exhibit B*)	
Normal retirement:	
Age requirement:	65
Service requirement:	None
Amount:	1.5% of Final Average Compensation multiplied by years of Benefit Accrual Service (not in excess of 35 years) minus 0.6% of Covered Compensation (not in excess of Final Average Compensation) multiplied by years of Benefit Accrual Service (not in excess of 35 years) plus 0.5% of Final Average Compensation times Benefit Accrual Service years in excess of 35 years.
Covered Compensation:	The average of the Social Security taxable wage bases in effect for each calendar year during the 35 year period ending with the last day of the calendar year in which the participant attains (or will attain) Social Security Retirement Age.
Compensation:	Includes regular base pay plus bonuses, sales commissions, overtime and disability compensation, jury duty and military training pay. Compensation is limited to the 401(a)(17) limit in effect each year as amended for EGTRRA ($255,000 for 2013, $260,000 for 2014)).
Final Average Compensation:	Average of the five highest of last ten qualifying twelve Accounting Month periods.

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Part V – Summary of Plan Provisions
L-3 Link Simulation and Training Retirement Plan
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Summary of Plan Provisions *continued*

Early retirement:	
Age requirement:	55
Service requirement:	5 years
Amount:	Accrued benefit determined as for Normal Retirement reduced by the lesser of 6% per year preceding the Social Security Normal Retirement Age and Actuarial equivalence using an 80%/20% mortality blend of male/female GAM1971 and the PBGC immediate interest rate. Unreduced early retirement available if retired within three years prior to Social Security Normal Retirement Age and has ten years of continuous service.
Vesting:	
Age requirement:	None
Service requirement:	5 years
Amount:	Accrued pension payable at age 65. A reduced benefit is also payable as early as age 55.
Early retirement factors:	Actuarial equivalence using an 80%/20% mortality blend of male/female GAM1971 and the PBGC immediate interest rate.
Pre-retirement death benefits:	
Age requirement:	None
Service requirement:	5 years
Amount:	For married participants only. For death prior to age 55, the benefit payable to the spouse under the 50% Joint and Survivor option as if the participant terminated prior to death, survived to earliest retirement age, retired, and died. For participants age 55 or older, the benefit payable to the spouse under the 100% Joint Survivor option as if the participant retired immediately prior to death.

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Part V – Summary of Plan Provisions
L-3 Link Simulation and Training Retirement Plan
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Summary of Plan Provisions *continued*

Participation:	
Age:	None
Service requirement:	All employees included in the asset transfer between L-3 Communications Corporation and Raytheon Company on February 10, 2000. All new employees are subject to a participation requirement of 1 year of service.
Service:	
Benefit service:	All years of employment.
Vesting service:	All years of employment.
Disability:	
	None
Forms of Benefit:	
Normal Form:	Straight life annuity. Benefits with present value less than $5,000 are automatically cashed out. If the present value is $5,000 or more, but less than $20,000, the participant has the option to receive a lump sum.
Optional Form:	If married, pension benefits are paid in the form of a joint and survivor annuity unless this form is waived by employee and spouse. If not waived, the benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If waived by employee and spouse, or if not married, benefits are payable for the life of the employee without reduction or in any other available optional form elected by the employee in an actuarially equivalent amount. The Qualified Joint and Survivor continuation option is 50%, with 75% and 100% continuation options also available. 10 year certain and life annuities and Social Security level income annuities options are also available.
Actuarial Equivalence:	
	Optional forms: 1971 GAM mortality 80% Male/20% Female using the PBGC immediate interest rate. Lump Sum: PPA Lump Sum Mortality Table with the 417(e) rates at November lookback.

Attachment to 2014 Schedule SB of Form 5500
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Summary of Plan Provisions *continued*

Former Participants in the Contributory Benefit Structure of The Raytheon Non-Bargaining Pension Plan (NRPA) - *Plan Doc. Exhibit A*	
Normal benefit:	
Mandatory contributions of 3% of earnings are required for participation. The greatest of (1), (2) and (3): (1) Accrued Benefit through December 31, 1975 (not less than 1/24 of Participant contributions as of December 31, 1985) plus 1% of the first $3,600 of compensation and 2% of compensation in excess of $3,600 for each plan year after year 1975. (2) ($156 plus 0.5% of Final Average Compensation) multiplied by Benefit Accrual Service. (3) 1.75% of Final Average Compensation multiplied by Benefit Accrual Service offset by the product of : (A) 1.50%, (B) Primary Insurance Amount, (C) Total Benefit Service up to a maximum of 33 1/3 years, (D) Fraction of Benefits Accrual Service over Total Benefit Service	
Early retirement:	
Age requirement:	55 with 5 years of service
Early retirement reduction:	Actuarial equivalent of Normal Retirement Benefit. Unreduced benefit under Rule of 75. Accrued Benefit under (3) is calculated under project-then-prorate method.
Normal form:	
	Straight life annuity with COLA limited to 4%.

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Summary of Plan Provisions *continued*

Former Participants In Raytheon Non-Bargaining Plan for former salaried employees of General Dynamics Corporation (NRPD) - *Plan Doc. Exhibit C*	
Normal benefit:	
The greatest of (1), (2) and (3): (1) 1.33% of Final Average Compensation multiplied by Benefit Accrual Service up to 40 years. (2) $312.00 times total Benefit Accrual Service. (3) Accrued Benefit as of 12/31/1988 plus 1.75% of the first $23,400 of compensation and 2% of compensation in excess of $23,400 for each plan year for first 35 years continuous service plus 2% of Compensation after 35 years of continuous service.	
Early retirement:	
Age requirement:	55 with 10 years of service
Early retirement reduction:	Actuarial equivalent of accrued benefit payable at age 65. Accrued Benefit reduced by 2.5% per year preceding age 62 unless certain conditions are met.
Normal form:	
	Straight life annuity

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Part V – Summary of Plan Provisions
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Summary of Plan Provisions *continued*

Former Participants in Raytheon Company Pension Plan for Salaried Employees (RCP, RSAL) - *Plan Doc. Exhibits E & L*	
Normal retirement:	
Age requirement:	65
Amount:	The greater of: 1. 1.8% x years of service up to 20 x excess of Final Average Compensation (FAC) over Social Security benefit + 1.2% x years of service over 20 x excess of FAC over Social Security benefit, or 2. **Link Simulation & Training:** $348 per year of service plus 20% of employee contributions **Infrared Products:** $492 per year of participation service.
Compensation:	Includes regular base pay plus bonuses, incentive pay, overtime pay and commissions, holiday, bereavement, jury duty and military training pay.
Final Average Compensation:	Average of the five highest of last ten qualifying twelve Accounting Month periods
Early retirement:	
Age requirement:	55
Early retirement reduction:	7% reduction for each year retirement precedes age 60.
Vesting:	
Age requirement:	None
Service requirement:	5 years of service
Amount:	Regular pension accrued payable at age 65 (reduced pension at 55 with 10 years of service).
Vesting percentage:	100% after 5 years of service
Pre-retirement death benefits:	
	Surviving spouse eligible to receive benefit payable as if participant had terminated on date of death and commenced payment as 50% joint and survivor annuity and then died
Benefit credit:	
	From date of participation

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Summary of Plan Provisions *continued*

Disability:	
	None
Normal form:	
	Life annuity. Actuarially equivalent 50% Joint and Survivor for married participants.
Lump sum benefits:	
	Benefits with present value less than $5,000 are automatically cashed out. If the present value is $5,000 or more, but less than $20,000, the participant has the option to receive a lump sum.
Actuarial Equivalence:	
	Optional forms: 1971 GAM mortality 80% Male/20% Female using the PBGC immediate interest rate. Lump Sum: PPA Lump Sum Mortality Table with the 417(e) rates at November lookback.

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Part V – Summary of Plan Provisions
L-3 Link Simulation and Training Retirement Plan
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Summary of Plan Provisions *continued*

Former Participants in E-Systems Salaried (ESYS) & E-Systems Richardson/Waco Retirement Plan (CTAS, ESI) - *Plan Doc. Exhibits F, G, J, & K*		
Normal retirement:		
Age requirement:	65 with 5 years of service	
Amount:	(1) Step-Up formula: 1.2% x Average Monthly Compensation (AMC) x years of benefit service up to 10 + 1.6% x AMC x years of benefit service over 10, not less than $12 times years of benefit service (for all service of E-Systems Salaried and only post-1996 service of E-Systems Richardson/Waco). (2) Excess Formula: 1 % of Final Average Compensation times years of benefit service up to 35 plus 0.4% of Final Average Compensation in excess of 150% of Covered Compensation times years of benefit service up to 35 (only for pre-1997 service of E-Systems Richardson/Waco).	
Compensation:	Base, incentive, overtime and military training pay, commission, holiday, bereavement, jury duty	
Average Compensation:	AMC: Average of highest 60 consecutive calendar months out of last 120 months.	
Early retirement:		
Age requirement:	55 with 10 years of service	
Early retirement reduction:	(1) Step-Up formula: Age 60: 100% Age 59: 99% Age 58: 96% Age 57: 91% Age 56: 84% Age 55: 75%	(2) Excess Formula: Accrued benefit reduced by 6% per year prior to age 62
Normal form:		
	5-Year Certain and Life. Actuarially equivalent 50% Joint and Survivor for married participants.	
Vesting:		
Age requirement:	None	
Service requirement:	5 years of service	
Amount:	Regular pension accrued payable at age 65 (reduced pension at 55 with 10 years of service).	
Vesting percentage:	100% after 5 years of service	

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Part V – Summary of Plan Provisions
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Summary of Plan Provisions *continued*

Pre-retirement death benefits:	
	Surviving spouse eligible to receive benefit payable as if participant had terminated on date of death and commenced payment as 50% joint and survivor annuity and then died.
Benefit credit:	
	From date of hire
Disability:	
Service requirement:	Disabled employees with 10 or more years of service are eligible for an annuity deferred to Normal Retirement Age computed based on compensation at the time of disability and service projected to Normal Retirement Age.
Lump sum benefits:	
	Benefits with present value less than $1,000 are automatically cashed out. If the present value is $1,000 or more, but less than $5,000, the participant can defer the lump sum to a date not later than Normal Retirement Age. If the present value is $5,000 or more, but less than $20,000, the participant has the option to receive a lump sum.
Other forms of payment:	
	10 year certain and life annuity Straight life annuity 100% joint and survivor annuity 75% joint and survivor annuity
Other forms of payment / early payments (when not eligible for early retirement adjustments):	
	E-Systems Salaried benefits paid under an optional form of payment and/or paid prior to Normal Retirement when not eligible for Early Retirement shall equal the Actuarial Equivalent of the normal form of benefit, determined on the basis of a 7% interest rate and the 1971 Group Annuity Mortality Table, projected by Scale D to 1975, using a unisex rate that is 50% male and 50% female. E-Systems Richardson/Waco benefits paid under an optional form of payment and/or paid prior to Normal Retirement when not eligible for Early Retirement shall equal the Actuarial Equivalent of the normal form of benefit, determined on the basis of a 9% interest rate and the 1983 Group Annuity Mortality Table, using a unisex rate that is 70% male and 30% female.

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Summary of Plan Provisions *continued*

Former Participants in Raytheon TI Systems Employees Pension Plan (RTIS) - *Plan Doc. Exhibits H & M*	
Normal retirement:	
Age requirement:	65
Amount:	The greater of: (1) 1.5% x years of service x Average Credited Earnings (ACE) offset by Retirement Age Factor x Final Average Compensation (FAC) x years of projected service at NRA (not more than 35) x ratio of service at termination to projected service at NRA (not to exceed 1). (2) $84 per year of service
Compensation:	Base pay, incentive pay, overtime pay, sales bonuses, hazard pay
Average Compensation:	ACE: Average of highest 5 consecutive calendar years FAC: The lesser of of (a) average compensation for the 3-year period up to the year of termination (not more than the Social Security wage base), or (b) the average of Social Security wage bases during 35 years up to participant's Social Security Retirement Age.
Age Factor	For employees born before 1938: 0.75%; from 1938 to 1954: 0.70%; after 1954: 0.65%.
Early retirement:	
Age requirement:	60 with 5 years of service or age 55 with 20 years of service
Early retirement reduction:	1/3% reduction for each of the first 60 months prior to age 65; 7/24% reduction for each of the next 60 months. Different factors apply to offset.
Normal form:	
	Life annuity. Actuarially equivalent 50% Joint and Survivor for married participants.
Vesting:	
Age requirement:	None
Service requirement:	5 years of service
Amount:	Regular pension accrued payable at age 65 (reduced pension at 60).
Vesting percentage:	100% after 5 years of service
Pre-retirement death benefits:	
	Surviving spouse eligible to receive benefit payable as if participant had terminated on date of death and commenced payment as 50% joint and survivor annuity and then died.

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Summary of Plan Provisions *continued*

Benefit credit:	
	Equal to participants service (without age requirement of prior TI plan)
Disability:	
Service requirement:	Disabled employees are eligible for an annuity deferred to Normal Retirement Age computed based on compensation at the time of disability and service projected to Normal Retirement Age.
Lump sum benefits:	
	Benefits with present value less than $1,000 are automatically cashed out. If the present value is over $1,000 and less than $5,000, the participant has the option to receive a lump sum or defer the payment to a date no later than their Normal Retirement Age. If the present value is $5,000 or more, the participant has the option to receive a lump sum. Lump sums are valued based on interest rates prescribed by §417(e) and the mandated mortality table.
Other forms of payment:	
	10 year certain and life annuity 100% joint and survivor annuity 75% joint and survivor annuity
Other forms of payment / early payments (when not eligible for early retirement adjustments):	
	Benefits paid under an optional form of payment and/or paid prior to Normal Retirement when not eligible for Early Retirement shall equal the Actuarial Equivalent of the normal form of benefit, determined on the basis of the UP-1984 Mortality Table without setback for calculations based upon the mortality of the employee and with a three-year set back for any beneficiaries or other contingent payees and the interest rate which would be used during the first month of the Plan Year by the Pension Benefit Guaranty Corporation for purposes of determining the single sum value of the lump-sum distribution on Plan termination.

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Summary of Plan Provisions *continued*

Former Participants in Hughes Personal Retirement Account Plan (CAEL) - *Plan Doc. Exhibit I*	
Normal benefit:	
Frozen Account Balance growing at the rate of the Minimum Adjustment Percentage (annually adjusted Plan interest rate) and converted to an annuity on the Distribution Date	
Early retirement:	
Age requirement:	55 with 5 years of service
Early retirement reduction:	Actuarial equivalent of Normal Retirement Benefit
Normal form:	
	Straight life annuity

Summary of Plan Provisions *continued*

Most Recent Plan Amendments

Plan Amendment	Effective Date	Reflected in 2014 Actuarial Valuation
Amendment No. 1: The plan was amended to satisfy benefit limitations required under Section 436 of the Internal Revenue Code	January 1, 2008	Yes
Amendment No. 2: The Plan was amended to merge with Infrared Products starting with the January 1, 2013 Plan Year.	January 1, 2013	Yes
Amendment No. 3: The Plan was amended to allow participants to continue participation in the plan after transfer to another division of the employer. Also contains additional provisions that do not impact the valuation.	Various	Yes

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

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Line 22 – Description of Weighted Average Retirement Age
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Non-Contributory

Age	Rate	Probability of Retiring	Age x Probability
55	5.00%	5.00%	2.75
56	4.00%	3.80%	2.13
57	4.00%	3.65%	2.08
58	4.00%	3.50%	2.03
59	4.00%	3.36%	1.98
60	10.00%	8.07%	4.84
61	10.00%	7.26%	4.43
62	15.00%	9.80%	6.08
63	10.00%	5.56%	3.50
64	10.00%	5.00%	3.20
65	35.00%	15.75%	10.24
66	20.00%	5.85%	3.86
67	20.00%	4.68%	3.14
68	20.00%	3.74%	2.55
69	20.00%	3.00%	2.07
70	100.00%	11.98%	8.39
	Weighted Average:		63.25

R75 Contributory

Age	Rate	Probability of Retiring	Age x Probability
55	10.00%	10.00%	5.50
56	15.00%	13.50%	7.56
57	20.00%	15.30%	8.72
58	25.00%	15.30%	8.87
59	30.00%	13.77%	8.12
60	35.00%	11.25%	6.75
61	40.00%	8.35%	5.10
62	60.00%	7.52%	4.66
63	50.00%	2.51%	1.58
64	50.00%	1.25%	0.80
65	35.00%	0.44%	0.29
66	20.00%	0.16%	0.11
67	20.00%	0.13%	0.09
68	20.00%	0.10%	0.07
69	20.00%	0.08%	0.06
70	100.00%	0.33%	0.23
			58.51

Infrared

Age	Rate	Probability Of Retiring	Age x Probability
55	2.50%	2.50%	1.38
56	2.50%	2.44%	1.37
57	2.50%	2.38%	1.35
58	5.00%	4.63%	2.69
59	5.00%	4.40%	2.60
60	7.50%	6.27%	3.76
61	5.00%	3.87%	2.36
62	15.00%	11.03%	6.84
63	5.00%	3.12%	1.97
64	5.00%	2.97%	1.90
65	35.00%	19.74%	12.83
66	20.00%	7.33%	4.84
67	20.00%	5.86%	3.93
68	20.00%	4.69%	3.19
69	20.00%	3.75%	2.59
70	100.00%	15.01%	10.51
			64.09

Headcount

Non-contributory	803
Contributory	11
Infrared	50

Weighted Average

(63.25*803+58.51*11+64.09*50)/864 = 63.24

Attachment to 2014 Schedule SB of Form 5500
Schedule SB, Line 32 – Schedule of Amortization Bases
L-3 Link Simulation and Training Retirement Plan
EIN 13-3937436 PN 014

Schedule of Shortfall Amortization Bases as of January 1, 2014

Year Established	Original Base	Present Value of Remaining Installments	Years Remaining	Shortfall Amortization Installment
2014	($6,861,082)	($6,861,082)	7	($1,148,259)
2013	9,967,584	8,788,081	6	1,663,510
2012	(1,898,586)	(1,465,139)	5	(322,237)
2011	2,325,849	1,424,974	4	382,671
Total		**$1,886,834**		**$575,685**