

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2014</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>	
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 ☒ a single-employer plan; ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION PLAN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;">001</td> </tr> <tr> <td colspan="2">1c Effective date of plan 01/01/1989</td> </tr> </table>	1b Three-digit plan number (PN) ▶	001	1c Effective date of plan 01/01/1989	
1b Three-digit plan number (PN) ▶	001				
1c Effective date of plan 01/01/1989					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) LOCKHEED MARTIN CORPORATION 6801 ROCKLEDGE DRIVE, CCT-115 BETHESDA, MD 20817	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) 52-1747835</td> </tr> <tr> <td>2c Plan Sponsor's telephone number 301-548-2384</td> </tr> <tr> <td>2d Business code (see instructions) 335900</td> </tr> </table>	2b Employer Identification Number (EIN) 52-1747835	2c Plan Sponsor's telephone number 301-548-2384	2d Business code (see instructions) 335900	
2b Employer Identification Number (EIN) 52-1747835					
2c Plan Sponsor's telephone number 301-548-2384					
2d Business code (see instructions) 335900					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/12/2015	DONALD REMSCH
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/12/2015	DONALD REMSCH
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number) (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor LOCKHEED MARTIN CORPORATION 6801 ROCKLEDGE DRIVE, CCT-115 BETHESDA, MD 20817		3b Administrator's EIN 52-1893632
		3c Administrator's telephone number 301-548-2384
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name		4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 1385
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) 0
a(2) Total number of active participants at the end of the plan year		6a(2) 0
b Retired or separated participants receiving benefits		6b 886
c Other retired or separated participants entitled to future benefits.....		6c 380
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 1266
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 84
f Total. Add lines 6d and 6e		6f 1350
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1I 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) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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 _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>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).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection</div>
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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 LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION PLAN		B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF LOCKHEED MARTIN CORPORATION		D Employer Identification Number (EIN) 52-1747835	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500	

Part I Basic Information			
1 Enter the valuation date: Month 01 Day 01 Year 2014			
2 Assets:			
a Market value		2a	135322418
b Actuarial value		2b	135408505
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.....	949	79636626	79636626
b For terminated vested participants.....	436	20913816	20913816
c For active participants.....	0	0	0
d Total.....	1385	100550442	100550442
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	6.32%	
6 Target normal cost	6	399899	

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.

<div>SIGN HERE</div>	<div>Signature of actuary</div> <div>DONALD E. WIDGER, F.S.A., E.A.</div> <div>Type or print name of actuary</div> <div>PRIAC</div> <div>Firm name</div> <div>280 TRUBMULL STREET HARTFORD, CT 06103-2975</div> <div>Address of the firm</div>	<div>09/17/2015</div> <div>Date</div> <div>14-06558</div> <div>Most recent enrollment number</div> <div>860-534-3565</div> <div>Telephone number (including area code)</div>
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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)	21614995	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	21614995	0
10 Interest on line 9 using prior year's actual return of <u>6.99</u> %	1510888	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		17310543
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 <u>6.17</u> %		1068061
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		18378604
d Portion of (c) to be added to prefunding balance		18378604
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)	23125883	18378604

Part III Funding Percentages		
14 Funding target attainment percentage	14	93.38 %
15 Adjusted funding target attainment percentage	15	134.66 %
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	115.14 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

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

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?		☒ Yes ☐ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?		☒ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
0	0	0
		(4) 4th 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
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	399899	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..	34	399899	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	399899	0	399899
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

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

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		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 LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 LOCKHEED MARTIN CORPORATION	D Employer Identification Number (EIN) 52-1747835	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

CAPITAL GUARDIAN TRUST COMPANY

95-2553868

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	INVESTMENT MANAGEMENT	399532	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CERIDIAN HCM, INC.

33-1636446

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 15	CONTRACT ADMINISTRATOR	130152	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

STATE STREET BANK AND TRUST COMPANY

04-1867445

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 25 28 99	TRUSTEE	15399	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

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

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

PRUDENTIAL RET. INS. AND ANNUITY CO

06-1050034

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	ACTUARY	6600	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2014 This Form is Open to Public Inspection.
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For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

A Name of plan <u>LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>LOCKHEED MARTIN CORPORATION</u>	D Employer Identification Number (EIN) <u>52-1747835</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>CAPITAL GROUP US CORE FXD INC TR DB</u>		
b Name of sponsor of entity listed in (a): <u>CAPITAL BANK AND TRUST COMPANY</u>		
c EIN-PN <u>95-6597294-052</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>41070922</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>CAPITAL GROUP EMGNG MKT EQ TR DB</u>		
b Name of sponsor of entity listed in (a): <u>CAPITAL BANK AND TRUST COMPANY</u>		
c EIN-PN <u>95-6977441-097</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>5109656</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>CAPITAL GROUP GLOBAL EQUITY TRUST</u>		
b Name of sponsor of entity listed in (a): <u>CAPITAL BANK AND TRUST COMPANY</u>		
c EIN-PN <u>95-6597294-005</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>43827516</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>CAPITAL GROUP LONG DURATION GOVT TR</u>		
b Name of sponsor of entity listed in (a): <u>CAPITAL BANK AND TRUST COMPANY</u>		
c EIN-PN <u>95-6597294-299</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>34659022</u>
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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2014 This Form is Open to Public Inspection
For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>		
A Name of plan <u>LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION PLAN</u>		B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LOCKHEED MARTIN CORPORATION</u>		D Employer Identification Number (EIN) <u>52-1747835</u>

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	18912500	0
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	1749	528
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	10442686	11889404
(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)	0	
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	106422438	124667116
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	135779373	136557048

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	317908	303841
i Acquisition indebtedness	1i		
j Other liabilities	1j	0	
k Total liabilities (add all amounts in lines 1g through 1j)	1k	317908	303841

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	135461465	136253207
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	528	
(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)		528
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	22817	
(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)		22817
(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)		9909678
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		9933023

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	8535800	
(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)		8535800
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)	36700	
(2) Contract administrator fees.....	2i(2)	164979	
(3) Investment advisory and management fees.....	2i(3)	335937	
(4) Other.....	2i(4)	67865	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		605481
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		9141281

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		791742
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

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

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

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

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

☒ Yes ☐ No

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

(1) Name: MITCHELL & TITUS, LLP

(2) EIN: 13-2781641

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

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

Part IV Compliance Questions

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

During the plan year:

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

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c			
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
4d			
e Was this plan covered by a fidelity bond?	X		100000000
4e			
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f			
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4g			
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4h			
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	X		
4j			
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k			
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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

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

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

<div>SCHEDULE R (Form 5500) <div>Department of the Treasury Internal Revenue Service</div><div>Department of Labor Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div>		<div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014					
A Name of plan LOCKHEED MARTIN SPECIALTY COMPONENTS, INC. PENSION PLAN				B Three-digit plan number (PN) ▶ 001	
C Plan sponsor's name as shown on line 2a of Form 5500 LOCKHEED MARTIN CORPORATION				D Employer Identification Number (EIN) 52-1747835	
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): 04-1867445					
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 16	
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)					
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?..... ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.					
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.					
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....				6a	
b Enter the amount contributed by the employer to the plan for this plan year.....				6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)				6c	
If you completed line 6c, skip lines 8 and 9.					
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?..... ☐ Yes ☐ No ☐ N/A					
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?..... ☐ Yes ☐ No ☒ N/A					
Part III Amendments					
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☒ No					
Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.					
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No					
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No					
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No					
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No					
For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.				Schedule R (Form 5500) 2014 v. 140124	

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: 35% Investment-Grade Debt: 48% High-Yield Debt: 0% Real Estate: _____% Other: 17%

- 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): _____

LOCKHEED MARTIN SPECIALTY COMPONENTS INC.
PENSION PLAN

Financial Statements as of December 31, 2014 and 2013,
and for the Year Ended December 31, 2014,
and Supplemental Schedules, with Report of Independent Auditors

Lockheed Martin Specialty Components Inc. Pension Plan

Financial Statements and Supplemental Schedules

Year Ended December 31, 2014

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Schedule H, Line 4j—Schedule of Reportable Transactions	13

REPORT OF INDEPENDENT AUDITORS

Plan Administrator
Lockheed Martin Specialty Components Inc.
Pension Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Lockheed Martin Specialty Components Inc. Pension Plan, which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the certified investment information described in Note 4, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2014 and 2013, and for the year ended December 31, 2014, stating that the investment information provided to the plan administrator is complete and accurate.

Disclaimer of Opinion on Financial Statements

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

Disclaimer of Opinion on Supplemental Schedules

The accompanying supplemental schedules of assets (held at end of year) as of December 31, 2014, and reportable transactions for the year then ended, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

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

Mitchell & Titus, LLP

October 7, 2015

Lockheed Martin Specialty Components Inc. Pension Plan
Statements of Net Assets Available for Benefits
(in thousands)

	December 31,	
	2014	2013
Assets		
Investments:		
Cash equivalents	\$ 11,889	\$ 10,443
Common collective trusts	124,667	106,422
Total investments at fair value.....	136,556	116,865
Receivables		
Employer contributions	—	18,912
Dividends and interest	1	2
Total receivables.....	1	18,914
Total assets	136,557	135,779
Liabilities		
Accrued expenses	304	318
Net assets available for benefits	\$ 136,253	\$ 135,461

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

Lockheed Martin Specialty Components Inc. Pension Plan
Statement of Changes in Net Assets Available for Benefits
(in thousands)

	<u>Year Ended</u> <u>December 31, 2014</u>
Net assets available for benefits at beginning of year	\$ 135,461
Additions to net assets:	
Investment income:	
Net appreciation in fair value of investments	9,909
Dividends and interest	24
Total additions	9,933
Deductions from net assets:	
Benefit payments	8,536
Administrative expenses	605
Total deductions	9,141
Change in net assets	792
Net assets available for benefits at end of year	\$ 136,253

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

Lockheed Martin Specialty Components Inc. Pension Plan Notes to Financial Statements

1. Description of the Plan

The following description of the Lockheed Martin Specialty Components Inc. Pension Plan (the Plan) provides only general information about the Plan's provisions. Participants should refer to the Plan document and Summary Plan Description for a more complete description of the Plan's provisions.

General

The Plan is a contributory, defined benefit plan covering retirees and other vested participants formerly employed by Lockheed Martin Specialty Components, Inc. (Specialty Components), and has been amended from time to time. The assets of the Plan, excluding the "Employer contributions receivable" and "Dividends and interest receivable," are held and invested under an agreement between Lockheed Martin Corporation (the Corporation) and State Street Bank and Trust Company (the Trustee). The Corporation is the Plan Sponsor and the Plan Administrator.

Effective September 30, 1997, the Specialty Components facility was closed. All employees were either transferred to other facilities of the Corporation or were terminated by December 31, 1997. In connection with those activities, all affected participants became fully vested in the Plan. At present, the Corporation maintains the Plan as a wasting trust. For employees transferred to other facilities, the related assets were transferred to the affiliated plans.

Funding Policy

Funding for the Plan is determined in accordance with the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006 (PPA) and consistent with U.S. Government Cost Accounting Standards (CAS). Contributions by the Corporation, if any, meet the ERISA minimum funding requirements. The Corporation has the right under the Plan to discontinue such contributions at any time and/or terminate the Plan. In the event of termination, the Plan's net assets are to be used first for the payment of benefits attributable to active and non-active participant contributions, next for payment of retirement benefits that former employees or their beneficiaries have been receiving, and finally for the payment of other vested benefits. If the net assets are not sufficient to pay all benefits, the net assets shall be paid to the most senior categories until a category cannot be paid in full, and remaining net assets shall be allocated pro rata to all the benefits in that category and not those of lower priority. However, in the event of termination of the Plan, the Pension Benefit Guaranty Corporation (PBGC) guarantees the payment of nonforfeitable retirement benefits subject to certain limitations prescribed by ERISA.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Accumulated Plan Benefits

Accumulated plan benefits are those estimated future periodic payments that are attributable under the Plan's provisions for credited service by participants from their date of eligibility to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired, terminated and disabled participants or their beneficiaries, and (b) present participants or their beneficiaries. Benefits for retired, terminated and disabled participants or their beneficiaries are based on each former participant's compensation during each year of credited service prior to his or her termination or retirement date. Accumulated plan benefits for active participants are based on each participant's compensation during each year of credited service preceding the valuation date. Benefits payable under all circumstances—

Lockheed Martin Specialty Components Inc. Pension Plan
Notes to Financial Statements (continued)

retirement, death, disability and termination of employment—are included to the extent they are deemed attributable to employee service prior to the valuation date.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits. Actual results could differ from those estimates.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, currency, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Investment Valuation and Income Recognition

Investments in the Plan are reported at fair value. Fair value is the price that would have been received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Gains and losses on investments bought and sold as well as held during the year are included in net appreciation in fair value of investments.

Administrative Expenses

Administrative expenses are generally paid by the Corporation, with the exception of the cost of certain administrative services, which are paid by the Plan.

Recent Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board (FASB) issued new guidance that eliminates the current requirement to categorize within the fair value hierarchy investments with fair values measured at net asset value (NAV) using the practical expedient in Accounting Standards Codification (ASC) 820 "Fair Value Measurement". The new guidance will require entities to disclose the fair values of such investments as a reconciling item between the balance sheet amounts and the amounts reported in the fair value hierarchy table. Entities will be required to continue to disclose information describing the nature and risks of the investments measured using the NAV practical expedient. The new disclosures are required for the Plan beginning on January 1, 2017. Early adoption is permitted. The new guidance only impacts footnote disclosures and will not impact the financial statements.

Lockheed Martin Specialty Components Inc. Pension Plan
Notes to Financial Statements (continued)

In July 2015, the FASB issued new guidance that eliminates the requirements to disclose individual investments that represent 5 percent or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. The disclosure of information about fair value measurements will be also provided by general type of plan asset. The new disclosures are required for fiscal year beginning after December 15, 2015. The new guidance only impacts footnote disclosures and will not impact the financial statements.

Subsequent Events

Effective February 26, 2015, the Board of Directors of the Corporation approved the complete termination of the Plan and the Plan is amended to terminate effective June 1, 2015.

The Plan has evaluated subsequent events through October 7, 2015, the date the financial statements were available to be issued.

3. Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits is the amount that results from applying actuarial assumptions to the accumulated plan benefits earned by the participants to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment.

The actuarial present value of accumulated plan benefits is as follows (in thousands):

	December 31,	
	2014	2013
Vested benefits:		
Participants currently receiving payments	\$ 99,026	\$ 85,506
Participants not currently receiving payments	31,635	30,424
Total vested benefits	130,661	115,930
Total actuarial present value of accumulated plan benefits	\$ 130,661	\$ 115,930

The significant actuarial assumptions used in the valuations were (a) life expectancy of participants (RP-2014 Total Dataset with Scale MP-2014 for 2014 and Prescribed Internal Revenue Service (IRS) Static Mortality Table – Separate for 2013), (b) assumed retirement age probabilities based on the experience of the Plan resulting in an average retirement age of 60, and (c) an annual discount rate of 4.00% and 4.75% for 2014 and 2013, respectively. The discount rate assumption used to calculate the actuarial present value of accumulated plan benefits is adjusted annually to reflect current yields on long-term high-quality corporate bonds. This can result in significant year to year fluctuations in the valuations.

Changes in the actuarial present value of accumulated plan benefits are as follows (in thousands):

	Year Ended December 31, 2014
Actuarial present value of accumulated plan benefits at beginning of year	\$ 115,930
Increase (decrease) during the year attributable to:	
Increase for interest due to the decrease in the discount period	5,287
Benefits paid	(8,536)
Benefits accumulated	(392)
Changes in actuarial assumptions	18,372
Net increase	14,731
Actuarial present value of accumulated plan benefits at end of year	\$ 130,661

Lockheed Martin Specialty Components Inc. Pension Plan
Notes to Financial Statements (continued)

The changes in actuarial assumptions reflect the decrease in the discount rate and change in mortality and termination assumptions, which resulted in an increase to the actuarial present value of accumulated plan benefits of \$7,716,000 and \$10,656,000, respectively.

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

4. Investments

All investment information disclosed in the accompanying financial statements as of December 31, 2014 and 2013, supplemental schedules including investments held as of December 31, 2014, and net appreciation (depreciation) in fair value of investments, interest income, and dividend income for the year ended December 31, 2014, was obtained or derived from information certified as complete and accurate by State Street Bank and Trust Company, the Trustee of the Plan.

The net appreciation (depreciation) in fair value of investments is as follows (in thousands):

	Year Ended December 31, 2014
Investments:	
Common collective trusts	\$ 9,909
Net appreciation in fair value of investments	\$ 9,909

The Plan's investments that represent 5% or more of the Plan's net assets available for benefits are as follows (in thousands):

	December 31, 2014	2013
Capital Guardian U.S. Fixed Income Fund DB	\$ 41,071	\$ 35,272
Global Equity Fund	\$ 43,828	\$ 39,257
Long Duration Government Fund	\$ 34,659	\$ 27,212
State Street Bank and Trust Company		
Short Term Investment Fund	\$ 11,889	\$ 10,443

5. Fair Value Measurements

The accounting standard for fair value measurements defines fair value, establishes a market-based framework or hierarchy for measuring fair value, and requires disclosures regarding fair value measurements. The standard is applicable whenever assets and liabilities are measured and included in the financial statements at fair value.

The fair value hierarchy established in the standard prioritizes the inputs used in valuation techniques into three levels as follows:

- Level 1 – Quoted prices in active markets for identical assets and liabilities;
- Level 2 – Observable inputs, other than Level 1 prices, such as quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets, and amounts derived from valuation models where all significant inputs are observable in active markets; and
- Level 3 – Unobservable inputs where valuation models are supported by little or no market activity that one or more significant inputs are unobservable and require us to develop relevant assumptions.

Lockheed Martin Specialty Components Inc. Pension Plan
Notes to Financial Statements (continued)

The following table presents the fair value of Plan assets by asset category and their level within the fair value hierarchy as of December 31, 2014 (in thousands):

	Level 1	Level 2	Total
Cash equivalents	\$ 11,889	\$ —	\$ 11,889
Common collective trusts	—	124,667	124,667
Total at Fair Value	<u>\$ 11,889</u>	<u>\$ 124,667</u>	<u>\$ 136,556</u>

The following table presents the fair value of Plan assets by asset category and their level within the fair value hierarchy as of December 31, 2013 (in thousands):

	Level 1	Level 2	Total
Cash equivalents	\$ 10,443	\$ —	\$ 10,443
Common collective trusts	—	106,422	106,422
Total at Fair Value	<u>\$ 10,443</u>	<u>\$ 106,422</u>	<u>\$ 116,865</u>

The Plan recognizes transfers between levels of the fair value hierarchy as of the date of the change in circumstances that causes the transfer. At December 31, 2014 and 2013, there were no assets in the Plan categorized as Level 3. During 2014, the Plan had no assets transferred in or out of the Level 3 category.

Valuation Techniques

Cash equivalents are comprised of a short-term money-market instrument that is valued at cost, which approximates fair value.

Common collective trusts categorized as Level 2 are valued by the Trustee using pricing models that use verifiable observable market data (e.g., interest rates and yield curves observable at commonly quoted intervals), bids provided by brokers or dealers, or quoted prices of securities with similar characteristics.

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

6. Parties-in-Interest Transactions

The Plan invests in the State Street Bank and Trust Company Short Term Investment Fund which is sponsored by State Street Bank and Trust Company, the Trustee, a party-in-interest. Transactions involving this investment are considered to be party-in-interest transactions for which a statutory exemption from the prohibited transaction regulation exists.

7. Income Tax Status

The IRS has determined and informed the Corporation by letter dated January 9, 2014, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since issuance of the determination letter. However, the Plan Administrator and the

Lockheed Martin Specialty Components Inc. Pension Plan
Notes to Financial Statements (continued)

Corporation's counsel believe that the current design and operations of the Plan are in compliance with the applicable provisions of the IRC and, therefore, believe the Plan, as amended, is qualified.

GAAP requires plan management to evaluate tax positions taken by the Plan to determine whether the Plan has taken any uncertain positions that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions, but no tax audits are in progress. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2011.

Supplemental Schedules

Lockheed Martin Specialty Components Inc. Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)
(in thousands, excluding shares or units)

December 31, 2014

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party and Description	(c) Number of Shares or Units	(d) Cost	(e) Current Value
	<i>Cash equivalents:</i>			
*	State Street Bank and Trust Company Short Term Investment Fund	11,889,405	\$ 11,889	\$ 11,889
	Total cash equivalents		\$ 11,889	\$ 11,889
	<i>Common collective trust:</i>			
	Emerging Markets Equity Fund	280,905	\$ 4,971	\$ 5,109
	Global Equity Fund	1,994,880	36,917	43,828
	Long Duration Government Fund	2,329,235	29,603	34,659
	Capital Guardian U.S. Fixed Income Fund DB	3,849,196	20,451	41,071
	Total common collective trust		\$ 91,942	\$124,667
	Total at fair value			<u>\$ 136,556</u>

*Party-in-interest for which a statutory exemption exists.

Lockheed Martin Specialty Components Inc. Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4j — Schedule of Reportable Transactions
(in thousands)

Year ended December 31, 2014

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain/ (Loss)
Purchases *State Street	Government Short Term Investment Fund	\$ 24,952	\$ —	\$ —	\$ 24,952	\$ —
	Government Short Term Investment Fund ERISA	11,933	—	—	11,933	—
Sales *State Street	Government Short Term Investment Fund	\$ —	\$ 23,093	\$ 23,093	\$ 23,093	\$ —
	State Street Bank and Trust Company Short Term Investment Fund	—	11,514	11,514	11,514	—

Category (i) — Single of transactions in excess of 5% of Plan assets

Lockheed Martin Specialty Components Inc. Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4j—Schedule of Reportable Transactions
(in thousands)

Year ended December 31, 2014

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain/ (Loss)
<u>Category (iii) — Series of transactions in excess of 5% of Plan assets</u>						
Purchases						
*State Street	Government Short Term Investment Fund	\$ 32,602	\$ —	\$ 32,602	\$ 32,602	\$ —
	State Street Bank and Trust Company Short Term Investment Fund	2,504	—	2,504	2,504	—
	Government Short Term Investment Fund ERISA	11,941		11,941	11,941	—
	Long Duration Government Fund	3,872	—	3,872	3,872	—
	Capital Guardian	5,709	—	5,709	5,709	—
Sales						
*State Street	Government Short Term Investment Fund	\$ —	\$ 32,602	\$ 32,602	\$ 32,602	\$ —
	State Street Bank and Trust Company Short Term Investment Fund	—	12,946	12,946	12,946	—
	Government Short Term Investment Fund ERISA	—	52	52	52	—
	Long Duration Government Fund	—	3,220	2,963	3,220	257
	Capital Guardian	—	2,294	1,069	2,294	1,225

Columns (e) and (f) are not applicable.

There were no category (ii) or (iv) reportable transactions during 2014.

*Party-in-interest for which a statutory exemption exists.

SB Actuary Signature

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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
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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 <u>Lockheed Martin Specialty Components, Inc. Pension Plan</u> C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>Lockheed Martin Corporation</u>	B Three-digit plan number (PN) ► <u>001</u> D Employer Identification Number (EIN) <u>52-1747835</u> F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500
---	---

E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2014</u>			
2 Assets:			
a Market value	2a	135,322,418	
b Actuarial value	2b	135,408,505	
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.....	949	79,636,626	79,636,626
b For terminated vested participants.....	436	20,913,816	20,913,816
c For active participants.....	0	0	0
d Total.....	1,385	100,550,442	100,550,442
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	6.32 %	
6 Target normal cost	6	399,899	

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	Donald E. Widger <u>DEW</u> Signature of actuary Donald E. Widger, F.S.A., E.A. Type or print name of actuary	<u>9/17/2015</u> Date 14-06558 Most recent enrollment number (860) 534-3565 Telephone number (including area code)
PRIAC Firm name		
280 Trumbull Street Hartford CT 06103-2975 Address of the firm		

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

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

Schedule SB (Form 5500) 2014
v. 140124

SB Actuary Signature

Schedule SB (Form 5500) 2014

Page 2 -

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)	21,614,995	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	21,614,995	0
10	Interest on line 9 using prior year's actual return of <u>6.99%</u>	1510888	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		17310543
	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 <u>6.17%</u>		1068061
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		18378604
	d Portion of (c) to be added to prefunding balance		18378604
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)	23,125,883	18378604

Part III Funding Percentages			
14	Funding target attainment percentage	14	93.38 %
15	Adjusted funding target attainment percentage	15	134.66 %
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	115.14 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

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

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

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

20 Quarterly contributions and liquidity shortfalls:

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

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

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

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

SB Actuary Signature

Schedule SB (Form 5500) 2014

Page **3**

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

21	Discount rate:	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">a Segment rates:</td> <td style="width: 33%;">1st segment: 4.99 %</td> <td style="width: 33%;">2nd segment: 6.32 %</td> <td style="width: 33%;">3rd segment: 6.99 %</td> <td style="width: 33%;">☐ N/A, full yield curve used</td> </tr> </table>	a Segment rates:	1st segment: 4.99 %	2nd segment: 6.32 %	3rd segment: 6.99 %	☐ N/A, full yield curve used	
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					
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	399,899
	b Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
	a Net shortfall amortization installment	0	0
	b Waiver amortization installment	0	0
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	399,899
		Carryover balance	Prefunding balance
35	Balances elected for use to offset funding requirement.....	399,899	0
36	Additional cash requirement (line 34 minus line 35)	36	0
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0
38	Present value of excess contributions for current year (see instructions)		
	a Total (excess, if any, of line 37 over line 36)	38a	0
	b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40	Unpaid minimum required contributions for all years	40	0

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

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

SB Actuary Signature
 Lockheed Martin
 Specialty Components, Inc. Pension Plan
 52-1747835/001
 1/1/2014
 Part V - Statement of Actuarial Assumptions/Methods

Below are the actuarial assumptions as of January 1, 2014.

Discount Rate:	<u>With HATFA</u>	<u>Without HATFA</u>
Effective Rate	6.32%	4.08%
First Segment – First 5 Years	4.99%	1.37%
Second Segment – Next 15 Years	6.32%	4.05%
Third Segment – After 20 Years	6.99%	5.06%

Mortality: The IRS 2014 Static Mortality Table - Separate

Investment Return: 6.00% per annum, compounded annually

Termination: n/a

Salary Scale: n/a

Estimated Expenses: \$399,899

Retirement:

Active Participants: n/a

Terminated Vested Participants: Age 60

Form of Payment: 80% of male and 20% of female married employees are assumed to elect the spouse option. Single employees are assumed to elect the normal form.

For inactive participants in payment, any remaining PPA/VPA balances are assumed to be paid as immediate lump sums on the valuation date. For deferred vested participants, any remaining PPA/VPA balances are assumed to be deferred to age 60 and paid as a lump sum.

Survivor's Benefit: It is assumed that husbands are 2 years older than wives and that 85% of male terminated Participants and 50% of female terminated Participants will be survived by an eligible Spouse.

Cost Method

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described under "Actuarial Assumptions" of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

Target Normal Cost

The Target Normal Cost is the present value of benefits expected to accrue during the plan year plus an estimate of the expenses to be paid from plan assets during the plan year.

Funding Target and Funding Shortfall

The Funding Target is the present value of benefits accrued as of the beginning of the plan year and the Funding Shortfall is the excess of the Funding Target over the Actuarial Value of Assets (reduced by the Credit Balance). The initial Funding Shortfall is amortized over seven years.

In subsequent years, the Funding Shortfall less the present value of prior year amortization installments is amortized over seven years, and added to any prior year amortization installments.

In accordance with the Highway and Transportation Funding Act of 2014 (HATFA), segment rates are adjusted as necessary to fall within the specified corridor of the corresponding 25-year average of segment rates for the period ending September 30 of the calendar year preceding the first day of the plan year. The specified corridor is:

<u>Plan Year</u>	<u>Corridor</u>
2012-2017	90% - 110%
2018	85% - 115%
2019	80% - 120%
2020	75% - 125%
2021 and later	70% - 130%

For the 2013 plan year, segment rates may be adjusted by a corridor of 85% - 115% instead of 90% - 110%, in accordance with the plan sponsor's election.

The adjustments to fall within the specified corridor of the 25-year average of segment rates apply for determining the minimum required contribution and related funded percentages. They do not apply for determining the maximum tax deductible contribution or certain other situations.

Sponsor Elections

Discount Rate: Segment rates, with a 4-month lookback

Mortality Table: Prescribed IRS Static Mortality Table – Separate

At-Risk Determination

The At-Risk Funding Target is determined by assuming that participants eligible to retire in the current plan year and next 10 plan years retire at the earliest possible date, but not before the end of the plan year. All participants are assumed to elect the optional form resulting in the highest possible present value.

A load is added to the At-Risk Funding Target and At-Risk Target Normal Cost when a plan is At-Risk in at least two years during the preceding four years. The load increases the At-Risk Funding Target by 4% of the Not At-Risk Funding Target plus \$700 per participant, and increases the At-Risk Target Normal Cost by 4% of the Not At-Risk Target Normal Cost.

The Funding Target and Target Normal Cost are calculated by multiplying the Not At-Risk values by 100% minus the Phase-In Percentage, plus the At-Risk values multiplied by the Phase-In Percentage.

Credit Balance

The Credit Balance consists of the Carryover Balance from excess contributions prior to the Pension Protection Act (PPA) of 2006, plus the Prefunding Balance from elected excess contributions after the PPA. Balances accumulate with interest and are reduced for amounts applied towards the Minimum Required Contribution, voluntary waivers by the plan sponsor, and compelled waivers to avoid benefit restrictions. The Actuarial Value of Assets is reduced by the Credit Balance to determine certain funded percentages and to determine the Funding Shortfall.

Asset Valuation Method

The Actuarial Value of Assets is determined using an annual average of the adjusted Fair Market Value of Assets with the earliest determination 24 months prior to the valuation date. The Fair Market Value of Assets in prior years is adjusted for contributions, benefit payments, expenses and expected earnings (not to exceed the third segment rate).

This is equivalent to the Fair Market Value of Assets, plus two-thirds of the (gain)/loss from the prior year, plus one-third of the (gain)/loss from the second preceding year. The (gain)/loss in each year is the difference between the expected and actual returns on the Fair Market Value of Assets.

The Actuarial Value of Assets is adjusted to be no less than 90% or no more than 110% of the Fair Market Value of Assets, as required by IRC Section 430(g)(3)(B)(iii).

Since the expected earnings assumption cannot exceed the third segment rate, over time, the method may produce an Actuarial Value of Assets slightly below the Fair Market Value of Assets.

The Actuarial Value of Assets for determining the Maximum Tax Deductible Contribution reflects HATFA interest rates for discounting contributions and limiting expected earnings.

Normal Form of Annuity	Life Annuity with a 5-year minimum.
Normal Retirement Date	The first day of the month coinciding with or next following the Participant's 65th birthday.
Normal Retirement	
<i>Eligibility</i>	Completion of five years of service.
<i>Benefit Formula</i>	A Career Average Benefit equal to the sum of the Past Service Annuity and the Future Service Annuity.
<i>Past Service Annuity</i>	Formula based on service prior to September 1, 1946.
<i>Future Service Annuity</i>	Annual benefit equal to the sum of (i) and (ii): <ul style="list-style-type: none">i) Future Service Annuity (with updates) accrued up through December 31, 1990.ii) 1.45% of employee's compensation earned in each calendar year after December 31, 1990, up to (1) Social Security Covered Compensation for 1991, (2) \$18,000 for 1992, and (3) Social Security Covered Compensation less \$3,192 for 1993 and subsequent years, plus 1.90% of remaining compensation (1.45% of all compensation earned in each calendar year, after service as of January 1 exceeds 34 years).
<i>Most Recent Benefit Update</i>	Effective December 1, 1991, the future service annuity as of December 31, 1990 (including all updates as of December 31, 1990) will not be less than 0.90 % of average compensation from 1988 through 1990 up to \$25,000, plus 1.5% of remaining average compensation, times a maximum of 35 years of benefit service through December 31, 1990.
<i>Minimum Benefit</i>	For each year of service, \$21 per month plus \$0.25 per month for each \$300 by which highest 5-year average Compensation exceeds \$25,050, subject to a total maximum of \$29 per month (5-year average Compensation exceeds \$34,650).
Personal and Voluntary Pension Accounts	Employee contributions in each calendar year after December 31, 1988, plus voluntary contributions in each calendar year after December 31, 1990, credited with interest at a prescribed rate. The required and voluntary accounts are converted to an annuity based on the form of a nnuity elected for the regular pension or paid as a lump sum.

Early Retirement

<i>Eligibility</i>	Attained age 60.
<i>Benefit Formula</i>	Benefit accrued to date of early retirement with no reduction.
<i>Regular Supplement</i>	For each year of service, \$10/month is payable up to age 62 for retirement between ages 60 and 62 on or after July 1, 1991.
<i>Special Supplement</i>	If a participant retires on or after July 1, 1990 with 25 years of service or more under the special eligibility rules, an additional \$225 per month supplement is provided.

Pre-Retirement Spouse Benefit

<i>Eligibility</i>	Death occurs prior to retirement after at least 5 years of service, and married for at least 12 months at the time of death.
<i>Benefit Formula</i>	<p>The surviving spouse receives 50% of the pension accrued at the date of death reduced by the appropriate joint and survivor factors. Payments would be deferred to no earlier than the early retirement date of the deceased participant.</p> <p>If death occurs after attaining age 60 or age 50 with at least 15 years, payments commence immediately. Payments are reduced 12% if they begin before age 60.</p>

Death Benefit

<i>Eligibility</i>	Death occurs prior to retirement after attaining age 60 or at least 15 years of service; not eligible for Pre-Retirement Spouse Benefit.
<i>Benefit Formula</i>	<p>Lump sum equal to the value of payments for 5 years of the accrued pension benefit. If payment occurs prior to age 60, the lump sum is reduced by 12%.</p> <p>If not eligible for either the Pre-Retirement Spouse Benefit or the Death Benefit, a refund of employee contributions with interest is paid.</p>

Vested Benefit

<i>Eligibility</i>	At least 5 years of service.
<i>Benefit Formula</i>	Accrued benefit payable as early as age 60. Terminated employees may withdraw their contributions with interest, Personal Pension Account, and Voluntary Pension Account and retain their right to the company provided portion of their benefit.

SB Actuary Signature

Lockheed Martin
Specialty Components, Inc. Pension Plan
52-1747835/001
1/1/2014
Line 24 - Change in Actuarial Assumptions

Changes in Actuarial Assumptions

Effective with this valuation, the following non-prescribed actuarial assumption change was recognized:

- The Expense Load was changed from \$72,471 to \$399,899 to reflect actual administrative expenses.
- The Investment Return assumption was changed from 6.50% to 6.00%.

Below are the actuarial assumptions as of January 1, 2014.

Discount Rate:	<u>With HATFA</u>	<u>Without HATFA</u>
Effective Rate	6.32%	4.08%
First Segment – First 5 Years	4.99%	1.37%
Second Segment – Next 15 Years	6.32%	4.05%
Third Segment – After 20 Years	6.99%	5.06%

Mortality: The IRS 2014 Static Mortality Table - Separate

Investment Return: 6.00% per annum, compounded annually

Termination: n/a

Salary Scale: n/a

Estimated Expenses: \$399,899

Retirement:

Active Participants: n/a

Terminated Vested Participants: Age 60

Form of Payment: 80% of male and 20% of female married employees are assumed to elect the spouse option. Single employees are assumed to elect the normal form.

For inactive participants in payment, any remaining PPA/VPA balances are assumed to be paid as immediate lump sums on the valuation date. For deferred vested participants, any remaining PPA/VPA balances are assumed to be deferred to age 60 and paid as a lump sum.

Survivor's Benefit: It is assumed that husbands are 2 years older than wives and that 85% of male terminated Participants and 50% of female terminated Participants will be survived by an eligible Spouse.

Cost Method

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described under "Actuarial Assumptions" of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

Target Normal Cost

The Target Normal Cost is the present value of benefits expected to accrue during the plan year plus an estimate of the expenses to be paid from plan assets during the plan year.

Funding Target and Funding Shortfall

The Funding Target is the present value of benefits accrued as of the beginning of the plan year and the Funding Shortfall is the excess of the Funding Target over the Actuarial Value of Assets (reduced by the Credit Balance). The initial Funding Shortfall is amortized over seven years.

In subsequent years, the Funding Shortfall less the present value of prior year amortization installments is amortized over seven years, and added to any prior year amortization installments.

In accordance with the Highway and Transportation Funding Act of 2014 (HATFA), segment rates are adjusted as necessary to fall within the specified corridor of the corresponding 25-year average of segment rates for the period ending September 30 of the calendar year preceding the first day of the plan year. The specified corridor is:

<u>Plan Year</u>	<u>Corridor</u>
2012-2017	90% - 110%
2018	85% - 115%
2019	80% - 120%
2020	75% - 125%
2021 and later	70% - 130%

For the 2013 plan year, segment rates may be adjusted by a corridor of 85% - 115% instead of 90% - 110%, in accordance with the plan sponsor's election.

The adjustments to fall within the specified corridor of the 25-year average of segment rates apply for determining the minimum required contribution and related funded percentages. They do not apply for determining the maximum tax deductible contribution or certain other situations.

Sponsor Elections

Discount Rate: Segment rates, with a 4-month lookback

Mortality Table: Prescribed IRS Static Mortality Table – Separate

At-Risk Determination

The At-Risk Funding Target is determined by assuming that participants eligible to retire in the current plan year and next 10 plan years retire at the earliest possible date, but not before the end of the plan year. All participants are assumed to elect the optional form resulting in the highest possible present value.

A load is added to the At-Risk Funding Target and At-Risk Target Normal Cost when a plan is At-Risk in at least two years during the preceding four years. The load increases the At-Risk Funding Target by 4% of the Not At-Risk Funding Target plus \$700 per participant, and increases the At-Risk Target Normal Cost by 4% of the Not At-Risk Target Normal Cost.

The Funding Target and Target Normal Cost are calculated by multiplying the Not At-Risk values by 100% minus the Phase-In Percentage, plus the At-Risk values multiplied by the Phase-In Percentage.

Credit Balance

The Credit Balance consists of the Carryover Balance from excess contributions prior to the Pension Protection Act (PPA) of 2006, plus the Prefunding Balance from elected excess contributions after the PPA. Balances accumulate with interest and are reduced for amounts applied towards the Minimum Required Contribution, voluntary waivers by the plan sponsor, and compelled waivers to avoid benefit restrictions. The Actuarial Value of Assets is reduced by the Credit Balance to determine certain funded percentages and to determine the Funding Shortfall.

Asset Valuation Method

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The Actuarial Value of Assets for determining the Maximum Tax Deductible Contribution reflects HATFA interest rates for discounting contributions and limiting expected earnings.

Normal Form of Annuity

Life Annuity with a 5-year minimum.

Normal Retirement Date

The first day of the month coinciding with or next following the Participant's 65th birthday.

Normal Retirement

Eligibility

Completion of five years of service.

Benefit Formula

A Career Average Benefit equal to the sum of the Past Service Annuity and the Future Service Annuity.

Past Service Annuity

Formula based on service prior to September 1, 1946.

Future Service Annuity

Annual benefit equal to the sum of (i) and (ii):

- i) Future Service Annuity (with updates) accrued up through December 31, 1990.
- ii) 1.45% of employee's compensation earned in each calendar year after December 31, 1990, up to (1) Social Security Covered Compensation for 1991, (2) \$18,000 for 1992, and (3) Social Security Covered Compensation less \$3,192 for 1993 and subsequent years, plus 1.90% of remaining compensation (1.45% of all compensation earned in each calendar year, after service as of January 1 exceeds 34 years).

Most Recent Benefit Update

Effective December 1, 1991, the future service annuity as of December 31, 1990 (including all updates as of December 31, 1990) will not be less than 0.90% of average compensation from 1988 through 1990 up to \$25,000, plus 1.5% of remaining average compensation, times a maximum of 35 years of benefit service through December 31, 1990.

Minimum Benefit

For each year of service, \$21 per month plus \$0.25 per month for each \$300 by which highest 5-year average Compensation exceeds \$25,050, subject to a total maximum of \$29 per month (5-year average Compensation exceeds \$34,650).

Personal and Voluntary Pension Accounts

Employee contributions in each calendar year after December 31, 1988, plus voluntary contributions in each calendar year after December 31, 1990, credited with interest at a prescribed rate. The required and voluntary accounts are converted to an annuity based on the form of an annuity elected for the regular pension or paid as a lump sum.

Early Retirement

<i>Eligibility</i>	Attained age 60.
<i>Benefit Formula</i>	Benefit accrued to date of early retirement with no reduction.
<i>Regular Supplement</i>	For each year of service, \$10/month is payable up to age 62 for retirement between ages 60 and 62 on or after July 1, 1991.
<i>Special Supplement</i>	If a participant retires on or after July 1, 1990 with 25 years of service or more under the special eligibility rules, an additional \$225 per month supplement is provided.

Pre-Retirement Spouse Benefit

<i>Eligibility</i>	Death occurs prior to retirement after at least 5 years of service, and married for at least 12 months at the time of death.
<i>Benefit Formula</i>	<p>The surviving spouse receives 50% of the pension accrued at the date of death reduced by the appropriate joint and survivor factors. Payments would be deferred to no earlier than the early retirement date of the deceased participant.</p> <p>If death occurs after attaining age 60 or age 50 with at least 15 years, payments commence immediately. Payments are reduced 12% if they begin before age 60.</p>

Death Benefit

<i>Eligibility</i>	Death occurs prior to retirement after attaining age 60 or at least 15 years of service; not eligible for Pre-Retirement Spouse Benefit.
<i>Benefit Formula</i>	<p>Lump sum equal to the value of payments for 5 years of the accrued pension benefit. If payment occurs prior to age 60, the lump sum is reduced by 12%.</p> <p>If not eligible for either the Pre-Retirement Spouse Benefit or the Death Benefit, a refund of employee contributions with interest is paid.</p>

Vested Benefit

<i>Eligibility</i>	At least 5 years of service.
<i>Benefit Formula</i>	Accrued benefit payable as early as age 60. Terminated employees may withdraw their contributions with interest, Personal Pension Account, and Voluntary Pension Account and retain their right to the company provided portion of their benefit.

Changes in Actuarial Assumptions

Effective with this valuation, the following non-prescribed actuarial assumption change was recognized:

- The Expense Load was changed from \$72,471 to \$399,899 to reflect actual administrative expenses.
- The Investment Return assumption was changed from 6.50% to 6.00%.

Lockheed Martin Specialty Components Inc. Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4i—Schedule of Assets (Held At End of Year)
(in thousands, excluding shares or units)

December 31, 2014

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party and Description	(c) Number of Shares or Units	(d) Cost	(e) Current Value
	<i>Cash equivalents:</i>			
*	State Street Bank and Trust Company Short Term Investment Fund	11,889,405	\$ 11,889	\$ 11,889
	Total cash equivalents		\$ 11,889	\$ 11,889
	<i>Common collective trust:</i>			
	Emerging Markets Equity Fund	280,905	\$ 4,971	\$ 5,109
	Global Equity Fund	1,994,880	36,917	43,828
	Long Duration Government Fund	2,329,235	29,603	34,659
	Capital Guardian U.S. Fixed Income Fund DB	3,849,196	20,451	41,071
	Total common collective trust		\$ 91,942	\$124,667
	Total at fair value			<u>\$ 136,556</u>

*Party-in-interest for which a statutory exemption exists.

Lockheed Martin Specialty Components Inc. Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4j — Schedule of Reportable Transactions
(in thousands)

Year ended December 31, 2014

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain/ (Loss)
<u>Category (i) — Single of transactions in excess of 5% of Plan assets</u>						
Purchases						
*State Street	Government Short Term Investment Fund	\$ 24,952	\$ —	\$ —	\$ 24,952	\$ —
	Government Short Term Investment Fund ERISA	11,933	—	—	11,933	—
Sales						
*State Street	Government Short Term Investment Fund	\$ —	\$ 23,093	\$ 23,093	\$ 23,093	\$ —
	State Street Bank and Trust Company Short Term Investment Fund	—	11,514	11,514	11,514	—

Lockheed Martin Specialty Components Inc. Pension Plan
Employer Identification Number 52-1747835, Plan Number 001

Schedule H, Line 4j—Schedule of Reportable Transactions
(in thousands)

Year ended December 31, 2014

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain/ (Loss)
Category (iii) — Series of transactions in excess of 5% of Plan assets						
Purchases						
*State Street	Government Short Term Investment Fund	\$ 32,602	\$ —	\$ 32,602	\$ 32,602	\$ —
	State Street Bank and Trust Company Short Term Investment Fund	2,504	—	2,504	2,504	—
	Government Short Term Investment Fund ERISA	11,941		11,941	11,941	—
	Long Duration Government Fund	3,872	—	3,872	3,872	—
	Capital Guardian	5,709	—	5,709	5,709	—
Sales						
*State Street	Government Short Term Investment Fund	\$ —	\$ 32,602	\$ 32,602	\$ 32,602	\$ —
	State Street Bank and Trust Company Short Term Investment Fund	—	12,946	12,946	12,946	—
	Government Short Term Investment Fund ERISA	—	52	52	52	—
	Long Duration Government Fund	—	3,220	2,963	3,220	257
	Capital Guardian	—	2,294	1,069	2,294	1,225

Columns (e) and (f) are not applicable.
There were no category (ii) or (iv) reportable transactions during 2014.

*Party-in-interest for which a statutory exemption exists.