Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2014

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 08/31/2014

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
3 PHOENIX, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 01/01/2006

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

14585 AVION PARKWAY
SUITE 200
CHANTILLY, VA 20151

2b Employer Identification Number (EIN)
20-1633533

2c Plan Sponsor's telephone number
703-956-6480

2d Business code (see instructions)
541700

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.	10/16/2015	JOSEPH A. LIVERMAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor

3 PHOENIX, INC.

14585 AVION PARKWAY
SUITE 200
CHANTILLY, VA 20151

3b Administrator's EIN: 20-1633533

3c Administrator's telephone number: 703-956-6480

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**	167
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)**	167
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**	0
c	Other retired or separated participants entitled to future benefits	**6c**	0
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	0
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	0
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	0
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2I 2O 3I

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)** ☐ 0 **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_____

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2014

This Form is Open to Public Inspection

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 08/31/2014

A Name of plan
3 PHOENIX, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
3 PHOENIX, INC.

D Employer Identification Number (EIN)
20-1633533

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)	186767	0
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	167	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	822800	0
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(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)	2079587	0
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	5800000	0
	(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	8889321	0
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	8889321	0

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)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	27588	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		27588
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	8297838	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	5800000	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		2497838
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(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)		64995
c Other income	2c		-20
d Total income. Add all **income** amounts in column (b) and enter total	2d		2590401
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	718812	
(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)		718812
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		0
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		718812
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1871589
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		10760910

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: WEIL, AKMAN, BAYLIN & COLEMAN, P.A. **(2)** EIN: 52-1645472

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

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

Part IV Compliance Questions

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

During the plan year:

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

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		888932
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k	X		
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... [X] **Yes** [ ] **No** **Amount:** 0

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)
ULTRA ELECTRONICS, INC 401(K) PLAN	06-1506005	001

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

Part V Trust Information (optional)

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2014

This Form is Open to Public Inspection.

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 08/31/2014

A Name of plan
3 PHOENIX, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
3 PHOENIX, INC.

D Employer Identification Number (EIN)
20-1633533

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): 20-5973125

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

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

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

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

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

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

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

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

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 Phoenix, Inc.
Employee Stock Ownership Plan

FINANCIAL STATEMENTS

DECEMBER 31, 2014 AND 2013

3 PHOENIX, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS:	
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2014 (IN LIQUIDATION) AND 2013 (ONGOING)	2
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED DECEMBER 31, 2014 (IN LIQUIDATION) AND 2013 (ONGOING)	3
NOTES TO THE FINANCIAL STATEMENTS	4 - 10

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INDEPENDENT AUDITOR'S REPORT

To the Trustees of
3 Phoenix, Inc.
Employee Stock Ownership Plan
Arlington, Virginia

We have audited the financial statements of 3 Phoenix, Inc. Employee Stock Ownership Plan, which comprise the statement of net assets available for benefits as of December 31, 2013 (ongoing), the related statement of changes in net assets available for benefits for the year ended December 31, 2013 (ongoing), the statement of net assets available for benefits as of December 31, 2014 (in liquidation), the related statement of changes in net assets available for benefits for the year ended December 31, 2014 (in liquidation),and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial status of 3 Phoenix, Inc. Employee Stock Ownership Plan as of December 31, 2013, the changes in its financial status for the year ended December 31, 2013, its net assets available for benefits as of December 31, 2014 in liquidation, and the changes in its net assets available for benefits for the year ended December 31, 2014, in liquidation, in accordance with accounting principles generally accepted in the United States of America applied on the bases described in the Basis of Accounting paragraph.

Basis of Accounting

As described in Note A to the financial statements, the Board of Directors of 3 Phoenix, Inc., the Plan's sponsor, terminated the Plan on February 18, 2014. In accordance with accounting principles generally accepted in the United States of America, the Plan has changed its basis of accounting used to determine the amounts at which investments in the Sponsor Company's stock and the accumulated benefit information are stated, from the ongoing plan basis used in presenting the 2013 financial statements to the liquidation basis used in presenting the 2014 financial statements. Our opinion is not modified with respect to that matter.

Weil, Akman, Baylin & Coleman P.A.

Timonium, Maryland
October 15, 2015

3 PHOENIX, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2014 (IN LIQUIDATION) AND 2013 (ONGOING)

DECEMBER 31,	IN LIQUIDATION 2014	ONGOING 2013
ASSETS		
Investments in Sponsor Company		
Sponsor Company's common stock, at fair value	$ -	$ 5,800,000
Bond funds	-	2,079,587
Money market	-	822,800
Total investments	-	8,702,387
Receivables		
Employer contributions	-	186,767
Other receivable	-	167
Total receivables	-	186,934
Total assets	$ -	$ 8,889,321
Net assets available for benefits	$ -	$ 8,889,321

See independent auditor's report and notes to the financial statements.

3 PHOENIX, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED DECEMBER 31, 2014 (IN LIQUIDATION) AND 2013 (ONGOING)

FOR THE YEARS ENDED DECEMBER 31,	IN LIQUIDATION 2014	ONGOING 2013
Additions to net assets		
Realized gain from employer securities	$ 2,497,838	$ -
Unrealized gain from employer securities	-	1,616,000
Employer contributions	-	186,767
Realized gain from mutual funds	64,995	-
Unrealized (loss) from mutual funds	-	(34,756)
Interest and dividends	27,588	77,158
Dividends - employer securities	-	425
Total additions to net assets	2,590,421	1,845,594
Deductions from net assets		
Administrative expenses	20	-
Benefits paid to participants	718,812	1,559
Total deductions from net assets	718,832	1,559
Net increase	1,871,589	1,844,035
Transfer of Plan assets due to merger	(10,760,910)	-
Net assets available for benefits - beginning of year	8,889,321	7,045,286
Net assets available for benefits - end of year	$ -	$ 8,889,321

See independent auditor's report and notes to the financial statements.

3 PHOENIX, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014 (IN LIQUIDATION) AND 2013 (ONGOING)

NOTE A. PLAN DESCRIPTION

The Sponsor Company (3 Phoenix, Inc.) established the 3 Phoenix, Inc. Employee Stock Ownership Plan (the Plan) as a leveraged employee stock ownership plan (ESOP). The Plan is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (the Code) and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan records are kept on a 12-month plan year that begins on January 1 and ends on the next December 31.

The Plan received a maximum of 100,000 shares of the Sponsoring Company's common shares to be allocated annually to the ESOP participants for any plan year providing that the share contribution value would not exceed the maximum amount deductible by the Sponsor for such Plan Year for federal income tax purposes. The common stock is held in a trust established under the Plan. As the Sponsor Company made each contribution of shares, an appropriate percentage of stock was allocated to eligible employees' accounts in accordance with applicable regulations under the Code on an annual basis. The Plan was terminated during the year ended December 31, 2014.

Eligibility and Allocation

All eligible employees were automatically enrolled as active Plan members on the effective date of the Plan, provided that they were employed in covered service on that date. Thereafter, employees will automatically be enrolled as active Plan members on the July 1 or January 1 following completion of one year of eligibility service credit with the employer, provided they have reached the age of 21 and are in covered service on that date.

The allocation of Sponsor Company shares, forfeitures employer contributions and discretionary employer contributions to which a participant is entitled shall be allocated annually pro-rata based upon credit units to participants who 1) retired, died or became disabled or 2) are employed on the last day of the Plan Year and have completed 1,000 hours of service during the Plan Year. A participant receives 50 points for each year of service, including service prior to the effective date of the Plan and 1 point for each full $1,000 of compensation earned during the Plan Year. Income earned on the investment assets are allocated to the participants based on there beginning investments excluding the employer securities. As of December 31, 2014 and 2013, there were no forfeited nonvested accounts.

Payment of Benefits

No distributions from the Plan will be made until a participant retires, reaches age 59½, becomes disabled, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Sponsor Company. Benefits will be paid after the end of the Plan Year. Distributions are made in cash or, if a participant elects, in the form of Sponsor Company common shares plus cash for any fractional share.

Voting Rights

Each participant is entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any share for which instructions have not been given by a participant.

NOTE A. PLAN DESCRIPTION (continued)

Participant Accounts

The Plan is a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each Plan Year with an allocation of shares of the Sponsor Company's common shares released by the Trustee from the forfeitures of terminated participants' non-vested accounts. Only those participants who are eligible employees of the Sponsor Company as of the last day of the Plan Year will receive an allocation. Allocations are based on a participant's credit units to the total credit units.

Plan Termination

The Sponsor Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the Plan Administrators shall direct the Trustee to pay all liabilities and expenses of the trust fund. See Note I.

Vesting

If a participant's employment with the Sponsor Company ends for any reason other than retirement, permanent disability or death, the employee will vest in the balances in their account based on the total years of service with the Sponsor Company. Participants employed vest over six years of service with their accounts 20% vested after two years of service, 40% vested after 3 years of service, and 20% each year thereafter until fully vested. At the termination of the Plan, all accounts became fully vested.

Forfeitures

Plan forfeitures are allocated to each participant's account based upon the relation of the participants earned credit units to the total credit units for the Plan Year.

Put Option

Under Federal income tax regulations, employer stock held by an ESOP that is not readily tradable on an established market, or is subject to trading limitations, shall include a put option. The put option is a right to demand that the Sponsor Company buy back shares of its stock distributed to participants under the Plan for which there is no readily available market. The put price is representative of the fair value of the stock. The Sponsor Company can pay for the stock purchase over a period of five years with interest. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Diversification

Diversification is offered to participants close to retirement age so that they may have the opportunity to move part of the value of their investment in Sponsor Company common stock into investments which are more diversified. Participants who are at least age 55 with at least 10 years of participation in the Plan may elect to diversify a portion of their account. Diversification is offered to each eligible participant over a 6-year period. In each of the first 5 years, a participant may diversify up to 25 percent of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50 percent. Participants who elect to diversify receive a cash distribution.

3 PHOENIX, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014 (IN LIQUIDATION) AND 2013 (ONGOING)

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

On November 21, 2013, the Sponsor Company signed a letter of intent to sell all of the assets within the ESOP to the Acquiring Company. Therefore, the financial statements are prepared on the liquidation basis of accounting. The Sponsor Company revalued its asset according to the valuation prepared by an independent appraiser. The effect of the revaluation in 2014 is included as realized gain from employer securities in the statements of net assets available for benefits as of December 31, 2014 (in liquidation) and 2013 (ongoing).

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Operating Expenses

The majority of the expenses of maintaining the Plan are paid by the Sponsor Company.

Fair Value

The Plan follows the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification. The Topic provides a framework for measuring the fair value of assets and liabilities, and provides guidance regarding a fair value hierarchy, which prioritizes information used to measure fair value and the effect of fair value measurements on earnings and provides for enhanced disclosures determined by the level within the hierarchy of information used in the valuation. The Topic applies whenever other standards require (or permit) assets or liabilities to be measured at fair value but does not expand the use of fair value in any new circumstances.

The three levels of the fair value hierarchy and investments that fall into each of the levels are described below:

- ***Level 1:*** Level 1 inputs are unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

- ***Level 2:*** Level 2 inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

- ***Level 3:*** Level 3 inputs are unobservable and cannot be corroborated by observable market data. They are based on the best information available in the circumstances.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Quoted market prices are used to value investments. Shares of mutual funds are valued at the net asset value of shares held by the Plan at year-end. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

NOTE B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in Sponsor Company Common Stock

The common stock of the Sponsor Company was valued at fair value on February 18, 2014 and December 31, 2013. February 18, 2014 was the date of sale of the Sponsor Company's common stock prior to the transfer of Plan assets due to merger. Fair value is determined annually by independent appraisers. Dividend income is accrued on the ex-dividend date.

NOTE C. FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statements of net assets available for benefits as of December 31, 2014 (in liquidation) and 2013 (ongoing). The method used to measure fair value may produce an amount that may not be indicative of the net realizable value. Furthermore, although the Plan believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value of the Sponsor Company common stock is determined by an annual independent appraisal. This appraisal was based on an income valuation method. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and estimated fair value of the Company's assets and liabilities.

The following tables present fair value measurement for certain financial instruments. The carrying value of cash included in the accompanying statements of net assets available for benefits as of December 31, 2014 (in liquidation) and 2013 (ongoing) approximated fair value at December 31, 2014 and 2013 and are not included in the following tables.

Assets at Fair Value as of December 31, 2014

	Level 1	Level 2	Level 3	Total
Money market funds	$ -	$ -	$ -	$ -
Bond funds	-	-	-	-
Investment in Sponsor Company stock	-	-	-	-
Total assets at fair value	$ -	$ -	$ -	$ -

Assets at Fair Value as of December 31, 2013

	Level 1	Level 2	Level 3	Total
Money market funds	$ 822,800	$ -	$ -	$ 822,800
Bond funds	2,079,587	-	-	2,079,587
Investment in Sponsor Company stock	-	-	5,800,000	5,800,000
Total assets at fair value	$ 2,902,387	$ -	$ 5,800,000	$ 8,702,387

NOTE C. FAIR VALUE MEASUREMENTS (continued)

The following tables provide further details of this Level 3 fair value measurement.

	Quantitative Information about Level 3 Fair Value Measurements		
	Valuation Technique	**Unobservable Input**	**Range (Weighted Average)**
December 31, 2014			
Sponsor Company common stock	Discounted economic earnings	Weighted-average cost of capital	0.0%
		Long-term revenue growth rate	0.0%
		Discount for lack of marketability	0.0%
		Discount for lack of control	0.0%
December 31, 2013			
Sponsor Company common stock	Discounted economic earnings	Weighted-average cost of capital	17.5%
		Long-term revenue growth rate	3.5%
		Discount for lack of marketability	5.0%
		Discount for lack of control	9.1%

NOTE C. FAIR VALUE MEASUREMENTS (continued)

Level 3 Gains and Losses

The following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the years ended December 31:

	2014	2013
Balance, beginning of year	$ 5,800,000	$ 4,184,000
Total unrealized gains included in changes in net assets available for benefits	2,497,838	1,616,000
	8,297,838	5,800,000
Liquidation of Plan assets	(8,297,838)	-
Balance, end of year	$ -	$ 5,800,000

NOTE D. TAX STATUS

The Plan obtained its latest determination letter on May 5, 2014, in which the Internal Revenue Service state that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code.

NOTE E. ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist principally of Sponsor Company common stock and bond funds, are held by the Trustees of the Plan.

Employer contributions are held and managed by the Trustees. The Trustees invest cash received, interest income, and make distributions to participants.

Certain administrative functions are performed by officers or employees of the Sponsor Company. Such officers or employees receive no compensation from the Plan. Administrative expenses and the Trustees' fees are paid directly by the Sponsor Company.

3 PHOENIX, INC.
EMPLOYEE STOCK OWNERSHIP PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014 (IN LIQUIDATION) AND 2013 (ONGOING)

NOTE F. INVESTMENT IN SPONSOR COMPANY COMMON STOCK

The Plan's investment in the Sponsor Company common stock for the years ended December 31:

	2014	2013
Number of Shares	-	100,000
Cost	$ -	$ 533,000
Market	$ -	$ 5,800,000

NOTE G. RISKS AND UNCERTAINTIES

The Plan investments consisted primarily of the Sponsor Company's common stock, which is exposed to various risks such as interest rate, market, and credit risks, as well as valuation assumptions based on earnings, cash flows and/or other such techniques. Due to the level of risk associated with the investment in the common stock and to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in the value of the common stock will occur in the near term and that such changes could materially affect the amounts reported in 2013 on the statements of net assets available for benefits as of December 31, 2014 (in liquidation) and 2013 (ongoing).

NOTE H. RELATED PARTY AND PARTY IN INTEREST TRANSACTIONS

The Plan invests in Sponsor Company common stock. This is a related party and party in interest transaction. As described in Notes A and E, the Plan has a number of service providers. Such parties are parties-in-interest under ERISA.

NOTE I. PLAN TERMINATION

The Plan sponsor was acquired in February 2014 by Ultra Electronics, Inc. Therefore, the Sponsor company shares were redeemed at the time of the acquisition. The participants accounts were rolled over to the Acquiring Company's 401(k) retirement plan. The account balances of those participants who were terminated or deceased at the date of acquisition were distributed. The plan terminated on August 31, 2014 after all transfers or distributions were made.

NOTE J. SUBSEQUENT EVENTS

In preparing these financial statements, the Plan has evaluated events and transactions subsequent to December 31, 2014 through October 15, 2015, the date these financial statements were available to be issued. As required by the Subsequent Events Topic of the FASB Accounting Standards Codification, the Plan is not aware of any subsequent events which would require recognition or disclosure in the financial statements.

Schedule H, Line 4i
Schedule of Assets (Held At End of Year)

Name of Plan:

► 3 PHOENIX, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST

Employer Identification Number:► 20-1633533

For plan year (beginning/ending):► 01/01/2014 - 08/31/2014 Plan number:► 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
	3 PHOENIX, INC. EMPLOYEE STOCK OWNERSHIP PLAN AND TRUST	Employer Stock @ $82.98 / Share	2022242	8297838