

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;">2015</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</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 <u>DEFINED BENEFIT PLAN OF FLUOR CORPORATION AND PARTICIPATING SUBSIDIARIES</u>	1b Three-digit plan number (PN) ▶	<div style="border: 1px solid black; padding: 2px; display: inline-block;">005</div>	
	1c Effective date of plan <u>07/01/1948</u>		
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>FLUOR CORPORATION</u> <u>6700 LAS COLINAS BOULEVARD</u> <u>IRVING, TX 75039</u>	2b Employer Identification Number (EIN) <u>33-0927079</u>	2c Plan Sponsor's telephone number <u>469-398-7000</u>	2d Business code (see instructions) <u>237990</u>

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2016	MARK LANDRY
	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)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN
	3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 29152
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) 319
a(2) Total number of active participants at the end of the plan year	6a(2) 358
b Retired or separated participants receiving benefits.....	6b 6285
c Other retired or separated participants entitled to future benefits.....	6c 3541
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 10184
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 950
f Total. Add lines 6d and 6e	6f 11134
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 1B 1C 1I 3H 3J	
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)
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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 2015 Form M-1 annual report. If the plan was not required to file the 2015 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 C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider 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
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan DEFINED BENEFIT PLAN OF FLUOR CORPORATION AND PARTICIPATING SUBSIDIARIES	B Three-digit plan number (PN) ▶ 005
C Plan sponsor's name as shown on line 2a of Form 5500 FLUOR CORPORATION	D Employer Identification Number (EIN) 33-0927079

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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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)

HEWITT ASSOCIATES LLC

36-2235791

(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?
15 50 64	NONE	5739978	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

TOWERS WATSON

53-0181291

(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 50	NONE	162258	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CURCIO WEBB

36-4171366

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 50	NONE	64969	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

ERNST AND YOUNG

34-6565596

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	58300	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

COCKRELL ENOVATION

75-1183045

(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?
36 50	NONE	14222	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

DELOITTE TAX LLP

86-1065772

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	13000	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:

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
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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
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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.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
A Name of plan DEFINED BENEFIT PLAN OF FLUOR CORPORATION AND PARTICIPATING SUBSIDIARIES		B Three-digit plan number (PN) ► 005
C Plan sponsor's name as shown on line 2a of Form 5500 FLUOR CORPORATION		D Employer Identification Number (EIN) 33-0927079

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)	30000000	3500000
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	0	5286000
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	751268000	2655000
(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	781268000	11441000

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	0	1508000
i Acquisition indebtedness	1i		
j Other liabilities	1j	285000	5000000
k Total liabilities (add all amounts in lines 1g through 1j)	1k	285000	6508000

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	780983000	4933000
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Part II Income and Expense Statement

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

Income**a Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	23500000	
(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)		23500000

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0

(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0

(3) Rents	2b(3)		
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(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-9187000
(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		-885000
d Total income. Add all income amounts in column (b) and enter total	2d		13428000

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	467927000	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)	313801000	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		781728000
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)	301000	
(2) Contract administrator fees	2i(2)	5740000	
(3) Investment advisory and management fees	2i(3)	94000	
(4) Other	2i(4)	1615000	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		7750000
j Total expenses. Add all expense amounts in column (b) and enter total	2j		789478000

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-776050000
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: ERNST AND YOUNG LLP

(2) EIN: 34-6565596

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	N/A	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.)		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.)		X		

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	X			40000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)				
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.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

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: 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)

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

6a Name of trust THE NORTHERN TRUST	6b Trust's EIN 361561860
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

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 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>DEFINED BENEFIT PLAN OF FLUOR CORPORATION AND PARTICIPATING SUBSIDIARIES</u>	B Three-digit plan number (PN) ▶ <u>005</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>FLUOR CORPORATION</u>	D Employer Identification Number (EIN) <u>33-0927079</u>

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>36-1561860</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	<u>18020</u>

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		14a	
	a The current year		14b	
	b The plan year immediately preceding the current plan year		14c	
	c The second preceding plan year			
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
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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: <u>0.0</u> % Investment-Grade Debt: <u>93.0</u> % High-Yield Debt: <u>0.0</u> % Real Estate: <u>0.0</u> % Other: <u>7.0</u> %
	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): <u>BLENDED DURATION</u>

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

AUDITED FINANCIAL STATEMENTS

Defined Benefit Plan of Fluor Corporation
and Participating Subsidiaries
Years Ended December 31, 2015 (in Liquidation) and 2014
(Ongoing) With Report of Independent Auditors

Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

Index to Audited Financial Statements

Years Ended December 31, 2015 (in Liquidation) and 2014 (Ongoing)

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Report of Independent Auditors

The Retirement Plan Investment Committee Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

We have audited the accompanying financial statements of the Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries, which comprise the statements of net assets available for benefits as of December 31, 2015 (in liquidation) and 2014 (ongoing), and the related statements of changes in net assets available for benefits for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries at December 31, 2015 (in liquidation) and December 31, 2014 (ongoing) and the changes in its net assets available for benefits for the years then ended, and the accumulated plan benefits at December 31, 2014 (in liquidation) and changes in accumulated plan benefits for the year then ended, in conformity with U.S. generally accepted accounting principles.

Adoption of Liquidation Basis of Accounting

As discussed in Note 1 to the financial statements, the governing body of the Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries approved a plan of liquidation following receipt of the Internal Revenue Service's favorable determination letter on October 1, 2015, and management determined liquidation is imminent. As a result, the Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries has changed its basis of accounting for the year ended 2015 from the going concern basis to a liquidation basis. Our opinion is not modified with respect to this matter.

Ernst & Young LLP

October 3, 2016

Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

Statements of Net Assets Available for Benefits

	December 31,	
	2015	2014
	(In Liquidation)	(Ongoing)
	<i>(In Thousands)</i>	
Assets:		
Investments in Master Trust	\$ 2,655	\$ 751,268
Receivables:		
Company contributions	3,500	30,000
Insurance premium refund	5,200	—
Accrued income expected to be earned in liquidation	86	—
Total receivables	<u>8,786</u>	<u>30,000</u>
Total assets	<u>11,441</u>	<u>781,268</u>
Liabilities:		
Payable to Fluor	5,000	—
Accrued expenses	537	285
Accrued expenses expected to be incurred in liquidation	971	—
Total liabilities	<u>6,508</u>	<u>285</u>
Net assets available for benefits	<u><u>\$ 4,933</u></u>	<u><u>\$ 780,983</u></u>

See accompanying notes to the financial statements.

Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

Statements of Changes in Net Assets Available for Benefits

	Year Ended December 31,	
	2015	2014
	(in Liquidation)	(Ongoing)
	<i>(In Thousands)</i>	
Additions (deductions) in net assets		
Company contributions	\$ 23,500	\$ 30,500
Share in net investment income (loss) of Master Trust	(9,187)	61,992
Benefits paid directly to participants	(467,927)	(52,196)
Purchase of annuity contracts	(313,801)	—
Administrative expenses	(7,750)	(3,422)
Income taxes	—	1
Net increase (decrease)	<u>(775,165)</u>	<u>36,875</u>
Adjustment to liquidation basis	(885)	—
Net assets available for benefits:		
Beginning of year (ongoing)	780,983	744,108
End of year	<u>\$ 4,933</u>	<u>\$ 780,983</u>

See accompanying notes to the financial statements.

Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

Notes to Financial Statements

December 31, 2015 (in Liquidation) and 2014 (Ongoing)

1. Description of the Plan

General

The following provides only general information about the Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries (the Plan). Participants should refer to the Plan documents for a more complete description of the Plan's provisions.

The Plan is a noncontributory defined benefit plan sponsored by Fluor Corporation (Fluor or the Company). It is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA). The Plan consists of various plans, including a defined benefit plan for hourly employees (the Craft Plan), which was frozen effective December 31, 2013; a cash balance plan for salaried employees (the Defined Retirement Plan), which was frozen effective December 31, 2011; and various previously frozen defined benefit pension plans.

Plan Termination

The Company has the right to terminate the Plan subject to the provisions of ERISA. In October 2014, the Company's Board of Directors approved an amendment to terminate the Plan effective December 31, 2014. The Pension Benefit Guaranty Corporation (PBGC) received the Plan's standard termination notice on July 7, 2015 and did not issue a notice of noncompliance within the 60-day period after the receipt date. The Internal Revenue Service (IRS) issued a favorable determination letter on October 1, 2015. Following PBGC and IRS approvals, the Company determined that the termination was considered imminent; therefore, the 2015 financial statements have been prepared in accordance with the liquidation basis of accounting.

As a result of termination, Plan participants were given an option to receive their frozen accrued benefits in a single lump-sum or through an annuity purchase. In December 2015, the Company substantially completed the settlement of the plan benefits through a combination of lump-sum distributions and the purchase of nonparticipating annuity contracts. As of December 31, 2015, the insurance premium refund on the statements of net assets available for benefits represents an overpayment by Fluor for the annuity contracts, by a mistake of fact. A portion of the amount will be returned to Fluor in 2016.

As a result of the termination, the presentation of actuarial present value of accumulated plan benefits in Note 6 is under the liquidation basis of accounting.

Benefits

Hourly employees were previously eligible for the Craft Plan after 1,000 hours of service during a calendar year. Participants in the Craft Plan are entitled to monthly pension benefits, beginning at normal retirement age (65), based on the employee's accrued benefit, which shall be equal to \$24 per month for every benefit credit earned. Benefit credits were earned for each calendar year, beginning with 1989, during which an employee worked at least 1,000 hours. Early retirement is available at age 55, provided the participant has at least 10 years of vesting credits, as defined in the Craft Plan. On August 2, 2013, the Fluor Board of

Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

Notes to Financial Statements (continued)

Directors approved an amendment of the Craft Plan to freeze participation and the accrual of future benefits effective December 31, 2013. Participants in the Craft Plan were fully vested as of the date of the freeze regardless of the number of years of eligible service, as defined by the Plan document.

Participants in the Defined Retirement Plan are entitled to monthly pension benefits, beginning at normal retirement age (65), based on the employee's accrued benefit, which shall be equal to the equivalent actuarial value of the accumulated "pay credit" and the "interest credit." As of December 31, 2011, the Defined Retirement Plan was frozen to new hires and certain rehires and participants no longer receive pay credits, but continue to earn interest credits on their Defined Retirement Plan balances. Interest credits are the greater of 3% or the average yield of one-year U.S. Treasury securities for the months of October, November and December of the prior calendar year. All participants are automatically vested in their Defined Retirement Plan balances, regardless of total years of service.

If certain requirements are met, the Plan provides for payment of benefits upon retirement, disability or death. Benefits, terminations and withdrawals are recorded when paid.

The Plan is managed by Fluor's Global Benefits, Administrative and Retirement Plan Investment Committees (collectively, the Committees). The Global Benefits Committee is responsible for plan design and funding strategies, including corporate contributions. The Administrative Committee interprets the Plan's documents and administers the Plan on behalf of participants. The Retirement Plan Investment Committee establishes investment policies and objectives, including the investment portfolio diversification and risk concentration guidelines, and monitors investment activity, including performance and valuation. The Retirement Plan Investment Committee may appoint professional investment managers to manage the investment accounts of the Fluor Corporation Master Trust (the Master Trust) in accordance with ERISA requirements and its own guidelines.

The Master Trust Agreement requires that The Northern Trust Company (the Trustee), either directly or indirectly, holds the Plan's assets in a master trust and administer and distribute those assets in accordance with the Plan and the instructions of the Committees, or their designees.

Income Tax Status

The Plan received a determination letter from the IRS dated October 1, 2015 stating that the Plan, as terminated, is qualified under Section 401(a) of the Internal Revenue Code (the Code) and, therefore, the related trust is exempt from federal income taxes. The Plan's Administrative Committee has indicated it will maintain compliance with the qualification requirements of the Code and, as necessary, take steps to bring the Plan's operations into compliance with the Code.

Accounting principles generally accepted in the United States require Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. Plan management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015 and 2014, there are no significant uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies

Basis of Accounting

As a result of liquidation being imminent, the December 31, 2015 financial statements have been prepared under the liquidation basis of accounting. Under the liquidation basis of accounting, assets are stated at their estimated net realizable values and liabilities at their settlement amount. The December 31, 2014 financial statements were prepared on the accrual basis of accounting.

Investments

The Plan's investments are commingled with the investments of various other employee benefit plans sponsored by Fluor and certain of its subsidiaries and affiliates in the Master Trust, which in turn invests in the Fluor DB Investments (as later defined). The Plan's investments are stated at fair value or estimated fair value as follows:

The estimated fair value of the investments in the common or collective trusts represents the underlying net asset value of the shares or units of such funds as determined by the issuer. Corporate equity securities are valued based on the last trade or official close of an active market or exchange on the last business day of the Plan year. A redemption notice period of 3 days is required for the Plan to redeem certain investments in common or collective trusts. At the present time, there are no other restrictions on how the Plan may redeem investments.

Investments in limited partnerships, which are classified as Level 3 investments (Note 4), are valued at net asset value as determined and reported by the general partners of the partnerships and represent the Plan's proportionate share of the estimated fair value of the underlying net assets of the limited partnerships. Plan management, under the oversight of the Retirement Plan Investment Committee, reviews the operating results and audited financial statements of the limited partnerships to assess the reasonableness of their net asset values. The Plan has substantially funded all of its original commitments to these limited partnerships. In connection with the termination of the Plan, Fluor filed a prohibited transaction exemption with the U.S. Department of Labor (DOL) in March 2015 in order to purchase the investments in limited partnerships from the Plan. The exemption was approved in June 2015 and Fluor purchased the limited partnerships in September 2015.

Purchases and sales of investments are recorded on the trade date. Realized gains or losses on sales, redemptions or distributions of investments are based on each investment manager's average historical cost. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Risks and Uncertainties

The Master Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility 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.

Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

Notes to Financial Statements (continued)

The Master Trust's concentrations of credit risk are dictated by the Plan's provisions, as well as those of ERISA. The Retirement Plan Investment Committee believes that no significant concentrations of credit risk exist in the Fluor DB Investments at December 31, 2015 and 2014.

Estimated fair values of investments in limited partnerships may differ significantly from what their values would have been had a ready market for such investments existed because of the inherent uncertainty of valuation in the absence of readily ascertainable fair values.

Plan contributions are made and the actuarial present value of accumulated plan benefits is 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.

Funding Policy

Actuarial valuations (Note 6) are obtained each year to determine the level of contributions by Fluor necessary to provide for anticipated benefits when combined with existing assets and anticipated earnings of the Plan's assets.

The Plan utilizes the projected unit credit method as the actuarial cost method to determine the Plan's annual funding requirements. Any contribution is based on amounts necessary to meet or exceed the minimum amount required by ERISA. The Plan is in compliance with ERISA's minimum funding requirements.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Recent Accounting Pronouncements

New accounting pronouncements implemented by the Plan during 2015 or requiring implementation in future periods are discussed below or in the related notes, where appropriate.

In July 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-12 "Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, (Part III) Measurement Date Practical Expedient." Part 1 of the ASU eliminates the requirement to measure the fair value of fully benefit-responsive investment contracts (FBRICs) and provide certain disclosures. Contract value is the only required measure for FBRICs. Part II eliminates the requirements to disclose individual investments that represent five percent or more of net assets available for benefits and the net appreciation or depreciation in fair value measurements by general type. It also simplifies the level of aggregation of investments that are measured using fair value. Plans will continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate

Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

Notes to Financial Statements (continued)

investments by nature, characteristics and risks. Further, the disclosure of information about fair value measurements shall be provided by general type of plan asset. Part III allows a plan with a fiscal year end that does not coincide with the end of calendar month to measure its investments using the month end closest to its fiscal year end. This ASU is effective for annual reporting periods beginning after December 15, 2015, with early adoption permitted. Management has elected to adopt Part II early. Parts I and III are not applicable to the Plan. The Plan's early adoption of these accounting pronouncements was applied retrospectively and did not have a material impact on the financial statements.

In May 2015, the FASB issued ASU 2015-07, "Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)," which eliminates the requirement to categorize investments measured using the net asset value practical expedient within the fair value hierarchy table. This ASU is effective for annual reporting periods beginning after December 15, 2016, with retrospective application to all periods presented. Early adoption is permitted. Management has elected to adopt ASU 2015-07 early. As a result of adopting ASU 2015-07, Plan investments that are reported at net asset value are no longer included in the fair value hierarchy table in Note 4.

Administrative Expenses

The Plan incurs administrative expenses directly related to the Plan, which consists primarily of trustee, recordkeeping, actuarial and pension benefit guarantee fees. These expenses are reported on the statement of changes in net assets available for benefits as administrative expenses. Expenses related to purchases, sales or transfers of the Plan's investments are charged to the particular investment fund to which the expenses relate.

Expenses incurred in liquidation of approximately \$1 million have been accrued and are included in the adjustment to liquidation basis on the statement of changes in net assets available for benefits. They are expected to be paid in full by December 31, 2016.

3. Master Trust

Investments

The Master Trust – Fluor manages the investments of the Plan (the Fluor DB Investments) and the Fluor Corporation Employees' Savings Investment Plan and the TRS 401(k) Retirement Plan (collectively, the Fluor DC Investments). The Fluor DB Investments are presented as a single master trust investment account. The investments held by the Master Trust are valued at fair value or estimated fair value as described in Note 2.

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Notes to Financial Statements (continued)

The net assets at fair value or estimated fair value of the Master Trust consist of the following as of December 31:

	<u>2015</u>	<u>2014</u>
	<i>(In Thousands)</i>	
Assets		
Fluor DC Investments	\$ 3,045,037	\$ 3,095,968
Fluor DB Investments	2,655	751,268
Net Assets of the Fluor Corporation Master Trust	<u><u>\$ 3,047,692</u></u>	<u><u>\$ 3,847,236</u></u>

Net investment income for the Master Trust is as follows for the years ended December 31:

	<u>2015</u>	<u>2014</u>
	<i>(In, Thousands)</i>	
Net investment income (loss)		
Fluor DC Investments	\$ (52,875)	\$ 91,200
Fluor DB Investments	(9,187)	61,992
Total net investment income (loss)	<u><u>\$ (62,062)</u></u>	<u><u>\$ 153,192</u></u>

Assets

The net assets of the Fluor DB Investments held by the Plan as of December 31 were as follows:

	<u>2015</u>	<u>2014</u>
	<u>(in Liquidation)</u>	<u>(Ongoing)</u>
	<i>(In Thousands)</i>	
Assets		
Common or collective trusts:		
U.S. corporate bonds	\$ —	\$ 649,359
U.S. government securities	—	48,834
Money market fund	2,646	40,640
Limited partnerships – equity securities	—	12,393
U.S. corporate equity securities	—	19
Investment income receivable	4	7
Foreign currency and cash	5	16
Net assets of the Fluor DB Investments	<u><u>\$ 2,655</u></u>	<u><u>\$ 751,268</u></u>

Securities Lending Program

The Master Trust has a securities lending program with the Trustee whereby the Trustee is authorized to lend securities owned by the Master Trust (other than Fluor common stock and securities excluded from lending from time to time by the Master Trust) to a select number of qualified borrowers (generally national and international brokerage firms). Pursuant to the securities lending agreement (the Agreement), security borrowers are authorized to use borrowed securities to settle trades and are obligated to return the securities to the Master Trust. All borrowed securities are secured by collateral held by the Trustee, which has a fair value no less than 102% of the fair market value of the borrowed securities at all times. The

Defined Benefit Plan of Fluor Corporation and Participating Subsidiaries

Notes to Financial Statements (continued)

collateral typically consists of U.S. Treasury and U.S. agency securities. The Master Trust is fully indemnified by the Trustee against any losses incurred as a result of borrower default.

The Plan did not participate in the securities lending program in 2015 and was no longer participating as of December 31, 2014. Net securities lending income for the Fluor DB Investments of approximately \$1,000 was earned by the Plan under the Agreement during the year ended December 31, 2014.

Net Investment Income (Loss)

Net investment income (loss) for the Fluor DB Investments for the years ended December 31, 2014 and 2013 is as follows:

	2015 (in Liquidation)	2014 (Ongoing)
	<i>(In Thousands)</i>	
Net appreciation (depreciation) in fair value of investments:		
Corporate bonds	\$ —	\$ 7,184
Common or collective trusts	(7,897)	49,119
U.S. government securities	—	(513)
Corporate equity securities	125	79
Limited partnerships	(63)	(250)
U.S. municipal bonds	—	1,415
Derivatives and other	(1)	1,262
Total net appreciation (depreciation)	<u>(7,836)</u>	<u>58,296</u>
Interest	—	5,031
Dividends	9	—
Other income	548	348
Securities lending income	—	1
Investment management expenses	(1,908)	(1,684)
Total net investment income (loss)	<u><u>\$ (9,187)</u></u>	<u><u>\$ 61,992</u></u>

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Notes to Financial Statements (continued)

4. Fair Value Measurements

The following table presents, for each of the fair value hierarchy levels required under ASC 820-10, “Fair Value Measurement,” the Fluor DB Investments’ assets and liabilities that are measured at fair value on a recurring basis as of:

(In Thousands)	December 31, 2015 (in Liquidation)				December 31, 2014 (Ongoing)			
	Fair Value Measurements Using				Fair Value Measurements Using			
	Total	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		(Level 1)	(Level 2)	(Level 3)		(Level 1)	(Level 2)	(Level 3)
Assets:								
Limited partnerships – equity securities	\$ —	\$ —	\$ —	\$ —	\$ 12,393	\$ —	\$ —	\$ 12,393
U.S. corporate equity securities	—	—	—	—	19	19	—	—
Total assets in the fair value hierarchy	\$ —	\$ —	\$ —	\$ —	\$ 12,412	\$ 19	\$ —	\$ 12,393
Investments measured at net asset value ⁽¹⁾	\$ 2,646				\$ 738,833			

- ⁽¹⁾ Investments measured at net asset value consist of common or collective trusts. In accordance with ASC 820-10, investments that are measured at net asset value per share (or its equivalent) are not classified in the fair value hierarchy table. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in net assets of the Fluor DB Investments in Note 3 above.

The following table presents reconciliations of the beginning and ending balances of the Level 3 fair value measurements for the years ended December 31:

	Limited Partnerships	
	2015	2014
	(in Liquidation)	(Ongoing)
	(In Thousands)	
Balance at beginning of year	\$ 12,393	\$ 17,546
Realized/unrealized gains:		
Realized gain (loss)	(2,047)	124
Unrealized gains (losses) relating to instruments still held at the reporting date	—	(2,454)
Sales	(10,346)	(2,823)
Balance at end of year	\$ —	\$ 12,393

5. Derivative Financial Instruments

The Retirement Plan Investment Committee does not anticipate any material adverse effect on the Plan’s financial position resulting from involvement in derivative instruments. As of December 31, 2015 and 2014, the Fluor DB Investments did not hold any investments in derivative instruments. The amounts of realized and unrealized gains and losses on derivative instruments presented below provide a measure of the Master Trust’s involvement in such instruments but are not indicative of potential loss.

The following table presents the effect of realized and changes in unrealized gains (losses) from Fluor DB Investments’ derivative activities, by type of derivative, for the years ended December 31, 2015 and 2014,

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Notes to Financial Statements (continued)

respectively. The gains (losses) are included in derivatives and other under net appreciation (depreciation) in fair value of investments in Note 3.

	2015	2014
	(in Liquidation)	(Ongoing)
	<i>(In Thousands)</i>	
Futures	\$ —	\$ 1,594
Swaps	(3)	(933)
Foreign exchange forward contracts	—	42
Options	—	(74)
	<u>\$ (3)</u>	<u>\$ 629</u>

The Master Trust, through its investment managers, has in place legally enforceable master netting arrangements or similar agreements with certain counterparties with which it enters into derivative financial instruments. Master netting arrangements or similar agreements permit the closeout and netting of transactions with the same counterparty upon the occurrence of certain events, such as default by either party, which did not occur in 2015 or 2014.

6. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are future periodic payments that are attributable, under the Plan's provisions, to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to present, retired, or terminated employees or their beneficiaries. Accumulated benefits are based on certain factors such as years of benefit service, age and final average salary at date of separation for retired or terminated employees; date of death for deceased employees; and at actuarial valuation date for active employees.

The actuarial present value of accumulated plan benefits, determined by the Plan's actuary, is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment.

The significant actuarial assumptions used to determine the actuarial present value of accumulated plan benefits at December 31, 2014, under liquidation accounting basis, were (a) separate combined annuitant and non-annuitant tables with static mortality improvement projections to the following; 2015 PPA Unisex Combined Mortality for the lump-sum assumption and Combined Healthy Generational Mortality RP-2000 projected with scale BB (no pre-retirement mortality) for the annuity purchase assumption (b) an interest discount rate of 1.95%

The significant actuarial assumptions used to determine the actuarial present value of accumulated plan benefits at December 31, 2013, under ongoing accounting basis, were: (a) mortality, using the RP-2014 Employees and Healthy Annuitants Tables with MP-2014 generational projection (b) disability and separation rates consistent with historical experience; (c) retirement and termination rates based on an experience study performed in 2010; and (d) an interest discount rate of 4.55%.

The present value of accumulated benefits were developed using the liquidation accounting basis, reflecting the anticipated cost of distributing the assets during 2015 through a combination of participant lump-sums and an annuity buy-out. The actuary estimated plan benefits as of January 1, 2015. There

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Notes to Financial Statements (continued)

were no significant changes to the plan that would have changed the valuations had they been performed as of December 31, 2014.

The actuarial present value of accumulated plan benefits of the Plan is as follows:

	December 31, 2014 (in Liquidation) <i>(In Thousands)</i>
Vested benefits:	
Participants currently receiving payments	\$ 188,915
Other participants	<u>626,453</u>
Total vested benefits	815,368
Non-vested benefits	—
Total actuarial present value of accumulated plan benefits	<u><u>\$ 815,368</u></u>

The major changes in the actuarial present value of accumulated plan benefits are as follows:

	<i>(In Thousands)</i>
Actuarial present value of accumulated plan benefits at December 31, 2013 (ongoing)	\$ 754,522
Increase (decrease) during the year attributable to:	
Actuarial gains	(952)
Decrease in the discount period	33,143
Benefits paid	(52,196)
Assumption changes due to liquidation	<u>80,851</u>
Net increase	<u>60,846</u>
Actuarial present value of accumulated plan benefits at December 31, 2014 (in liquidation)	<u><u>\$ 815,368</u></u>

In December 2015, lump sum benefit payments of approximately \$468 million were paid directly to participants and nonparticipating group annuity contracts of approximately \$314 million were purchased. Lump sum benefit payments of approximately \$5 million are expected to be paid from January through December 2016. During 2016, the Plan engaged a third party vendor to administer any uncashed checks related to the Plan termination settlement.

7. Related Party and Party-In-Interest Transactions

Certain Plan investments in the common or collective trust accounts are managed by Northern Trust Investments, Inc. (Northern Trust), an affiliate of the Trustee, and BlackRock, an investment manager, both of whom have fiduciary responsibility to the Plan. These investments qualify as party-in-interest transactions. Fluor DB Investments for the common or collective trusts for Northern Trust amounted to approximately \$3 million as of December 31, 2015. Fluor DB Investments for the common or collective trusts for Northern Trust and BlackRock amounted to approximately \$36 million and \$703 million, respectively, as of December 31, 2014. All of the party-in-interest transactions noted above are exempt from the prohibited transaction rules.

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Notes to Financial Statements (continued)

Investments managed by Northern Trust represented 100% and less than 5% of the Fluor DB Investments as of December 31, 2015 and 2014, respectively. Investments managed by BlackRock represented 94% of the Fluor DB Investments as of December 31, 2014.

Fluor is the plan sponsor and certain transactions with the Plan qualify as related party transactions. As noted in Note 2, in connection with the termination of the Plan, Fluor purchased the limited partnerships in September 2015 under a DOL prohibited transaction exemption.

8. Subsequent Events

Plan management has evaluated subsequent events through October 3, 2016, the date the financial statements were available to be issued.