

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 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 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</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.) ☒ 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>ULTRA ELECTRONICS, INC. 401(K) PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>001</u>
		1c	Effective date of plan <u>07/25/1996</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>ULTRA ELECTRONICS, INC.</u> <u>107 CHURCH HILL ROAD</u> <u>UNIT GL-2</u> <u>SANDY HOOK, CT 06482</u>	2b	Employer Identification Number (EIN) <u>06-1506005</u>
		2c	Plan Sponsor's telephone number <u>203-270-3696</u>
		2d	Business code (see instructions) <u>813000</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.	08/08/2017	SCOTT MEYERS
	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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

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	2797
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)	1829
a(2) Total number of active participants at the end of the plan year		6a(2)	1757
b Retired or separated participants receiving benefits.....		6b	0
c Other retired or separated participants entitled to future benefits		6c	946
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	2703
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	27
f Total. Add lines 6d and 6e		6f	2730
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	2660
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	15
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2S 2T 3D			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 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
		2016
		This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning **01/01/2016** and ending **12/31/2016**

A Name of plan ULTRA ELECTRONICS, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 ULTRA ELECTRONICS, INC.	D Employer Identification Number (EIN) 06-1506005

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation AMERICAN CENTURY INVESTMENTS
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44-6006315

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation AMERICAN FUNDS
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95-1411037

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

39-1811840

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation COLUMBIA
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93-0577450

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

FRANKLIN

94-3167260

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

GOLDMAN SACHS

13-5108880

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

IVY

04-6006759

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

VANGUARD

23-1945930

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

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

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

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

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)

WELLS FARGO BANK, N.A.

94-1347393

(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 21 37 50 62 64	SERVICE PROVIDER	464145	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

BLUM SHAPIRO

06-1009205

(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	SERVICE PROVIDER	19115	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

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)

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan ULTRA ELECTRONICS, INC. 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ULTRA ELECTRONICS, INC.	D Employer Identification Number (EIN) 06-1506005	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO STABLE RETURN FUND N35

b Name of sponsor of entity listed in (a): WELLS FARGO BANK, N.A.

c EIN-PN 52-2251296-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 22462674
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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)
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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)
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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)
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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)
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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)
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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)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

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

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan ULTRA ELECTRONICS, INC. 401(K) PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 ULTRA ELECTRONICS, INC.	D Employer Identification Number (EIN) 06-1506005	

Part I	Asset and Liability Statement
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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	206067	175473
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	28739	21107
(2) Participant contributions	1b(2)	24536	
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	1355279	1525111
(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)	959260	844016
(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)	3165818	2899217
(9) Value of interest in common/collective trusts	1c(9)	23093143	22462674
(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)	173751233	184514771
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)	21	24

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	202584096	212442393

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	222986	171533
k Total liabilities (add all amounts in lines 1g through 1j)	1k	222986	171533

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	202361110	212270860
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	4759226	
(B) Participants	2a(1)(B)	11356416	
(C) Others (including rollovers)	2a(1)(C)	1880349	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		17995991
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	167	
(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)	153752	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		153919
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)	20010	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	2518225	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		2538235
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	3149812	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	3173387	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-23575
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	72660	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		72660

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		394290
(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)		10982233
c Other income.....	2c		406358
d Total income. Add all income amounts in column (b) and enter total.....	2d		32520111

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	22709889	
(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)		22709889
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)	481365	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		481365
j Total expenses. Add all expense amounts in column (b) and enter total	2j		23191254

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		9328857
l Transfers of assets:			
(1) To this plan.....	2l(1)		1401006
(2) From this plan.....	2l(2)		820113

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: **BLUM SHAPIRO & COMPANY**

(2) EIN: **06-1009205**

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

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

Part IV Compliance Questions

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

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	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		1000000
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	X		
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
MAGICARD US, INC. 401(K) PLAN	91-1894861	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
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
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 sections 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 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>ULTRA ELECTRONICS, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ULTRA ELECTRONICS, INC.</u>	D Employer Identification Number (EIN) <u>06-1506005</u>

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	<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>41-6257133</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

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

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

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

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
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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: _____% 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): _____

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	



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To the 401(K) Committee
Ultra Electronics, Inc. 401(k) Plan
Sandy Hook, Connecticut

We have completed a DOL limited scope audit of the financial statements of Ultra Electronics, Inc. 401(k) Plan (the Plan) for the year ended December 31, 2016 and have issued our report thereon dated July 20, 2017. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3 to those financial statements. Because of the significance of the information that we did not audit, we are unable to express, and have not expressed, an opinion on those financial statements and supplementary schedule taken as a whole. We did, however, audit the form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, in accordance with auditing standards generally accepted in the United States of America and found them to be presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information to you in our communication dated March 27, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Plan are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2016. We noted no transactions entered into by the Plan during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates significant to the financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no sensitive disclosures affecting the financial statements.

The disclosures in the financial statements are neutral, consistent and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 20, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Plan's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Plan's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

This information is intended solely for the use of the 401(K) Committee and management of Ultra Electronics, Inc. 401(k) Plan and is not intended to be and should not be used by anyone other than these specified parties.

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
July 20, 2017

ULTRA ELECTRONICS, INC. 401(K) PLAN
SUMMARY OF AUDIT DIFFERENCES
DECEMBER 31, 2016

Description	Cause	Entry Needed to Correct Debit (Credit)				
		Total Assets	Total Liabilities	Net Assets Available for Benefits	Additions to Net Assets	Deductions from Net Assets
Report Balance Without Adjustments Below		\$ 212,442,393	\$ (171,533)	\$ (202,361,110)	\$ (33,101,004)	\$ 23,191,254
Current Year Audit Differences						
To record Wells Fargo expenses for the 4th quarter of 2016 and Merrill Lynch investment advisor Q4 expense, both of which were not paid until 2017.	Known		(109,103)			109,103
Reversal of Prior Year Differences						
To record Wells Fargo expenses for the 3rd and 4th quarter of 2015, that were not paid until 2016.	Known			173,015		(173,015)
Total Effect of Audit Differences		-	(109,103)	173,015	-	(63,912)
Potential Report Balances After Adjustments		\$ 212,442,393	\$ (280,636)	\$ (202,188,095)	\$ (33,101,004)	\$ 23,127,342
Adjustments as a Percentage of Report Balances		0.00%	63.60%	(0.09)%	0.00%	(0.28)%

Passed Disclosures

No passed disclosures noted.

ULTRA ELECTRONICS, INC. 401(K) PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2016

Employer Identification Number: 06-1506005
Plan Number: 001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investments Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
	Vanguard Primecap Fund	Mutual fund, 240,173 shares	**	\$ 25,234,946
*	Wells Fargo Stable Return Fund N35	Common and collective trust 450,593 units	**	22,462,674
*	Wells Fargo Advantage Index Fund	Mutual fund, 268,065 shares	**	16,652,221
*	WF Advantage Total Return Bond Fund	Mutual fund, 1,117,898 shares	**	14,186,129
	American Balanced Fund	Mutual fund, 505,735 shares	**	12,547,288
*	WF Advantage Dow Jones TRGT 2030	Mutual fund, 743,877 shares	**	12,147,513
	American Europacific Growth Fund	Mutual fund, 252,867 shares	**	11,189,756
	American Amcap Fund Class A	Mutual fund, 382,284 shares	**	10,409,583
	Artisan Mid Capitalization Stock Fund	Mutual fund, 279,784 shares	**	10,178,538
	American Washington Mutual Investors Fund	Mutual fund, 223,316 shares	**	9,144,776
*	WF Advantage Dow Jones TRGT 2040	Mutual fund, 460,968 shares	**	8,721,515
*	WF Advantage Dow Jones TRGT 2020	Mutual fund, 541,324 shares	**	7,995,360
	Goldman Sachs Small Cap Value	Mutual fund, 116,161 shares	**	6,975,448
	American Century Real Estate	Mutual fund, 235,746 shares	**	6,622,101
	American Funds Small Cap World Fund	Mutual fund, 123,162 shares	**	5,662,998
*	WF Spec Mid Cap Value Adm	Mutual fund, 143,426 shares	**	5,126,035
	Ivy Science & Technology I	Mutual fund, 90,525 shares	**	5,058,517
*	WF Advantage Dow Jones TRGT 2050	Mutual fund, 385,616 shares	**	4,183,938
*	WF Advantage Dow Jones TRGT 2025	Mutual fund, 268,636 shares	**	2,740,082
*	WF Advantage Dow Jones TRGT 2035	Mutual fund, 241,328 shares	**	2,603,934
*	WF Advantage Dow Jones TRGT 2045	Mutual fund, 143,666 shares	**	1,632,044
	Franklin Small Cap Growth R6	Mutual fund, 57,251 shares	**	1,139,297
*	WF Advantage Dow Jones TRGT 2010	Mutual fund, 82,859 shares	**	1,023,306
*	WF Advantage Dow Jones TRGT 2055	Mutual fund, 52,739 shares	**	697,204
*	WF Advantage Dow Jones TRGT 2015	Mutual fund, 51,603 shares	**	513,970
*	WF Advantage Dow Jones TRGT Today	Mutual fund, 42,810 shares	**	455,928
	Columbia Small Cap Index R5	Mutual fund, 1,596 shares	**	38,542
*	WF Advantage Dow Jones TRGT 2060	Mutual fund, 3,441 shares	**	35,511
	Vanguard Developed Markets Index Admiral	Mutual fund, 2 shares	**	20
				<u>205,379,174</u>
	Self-Directed Investments:			
	Other investments in self-directed brokerage accounts		**	<u>3,967,422</u>
				<u>209,346,596</u>
*	Participant loans	Interest rates ranging from 4.25% to 9.25%		<u>2,899,217</u>
				<u>\$ 212,245,813</u>
*	Party-in-interest			
**	Cost omitted for participant-directed investments			



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ULTRA ELECTRONICS, INC. 401(K) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

ULTRA ELECTRONICS, INC. 401(K) PLAN

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Accounting | Tax | Business Consulting

Independent Auditors' Report

To the Plan Administrator
Ultra Electronics, Inc. 401(k) Plan
Sandy Hook, Connecticut

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Ultra Electronics, Inc. 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2016 and 2015, and for the year ended December 31, 2016 that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

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

Supplemental Information

The supplemental schedule of assets (held at end of year) as of December 31, 2016 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

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

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

Blum, Shapiro & Company, P.C.

West Hartford, Connecticut
July 20, 2017

ULTRA ELECTRONICS, INC. 401(K) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Investments		
Money market and mutual funds	\$ 182,916,500	\$ 172,243,876
Self-directed investments	3,967,422	3,821,917
Common and collective trusts, at net asset value	<u>22,462,674</u>	<u>23,093,143</u>
Investments, at fair value	<u>209,346,596</u>	<u>199,158,936</u>
Receivables		
Employee contribution - deferrals	-	24,536
Employer contribution - matching	21,107	28,739
Notes receivable from participants	<u>2,899,217</u>	<u>3,165,818</u>
Total receivables	<u>2,920,324</u>	<u>3,219,093</u>
Cash	<u>175,473</u>	<u>206,067</u>
Total assets	212,442,393	202,584,096
LIABILITIES		
Accounts Payable and Accrued Expenses	<u>171,533</u>	<u>222,986</u>
Net Assets Available for Benefits	<u>\$ 212,270,860</u>	<u>\$ 202,361,110</u>

The accompanying notes are an integral part of the financial statements

ULTRA ELECTRONICS, INC. 401(K) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEAR ENDED DECEMBER 31, 2016

Additions to Net Assets Attributed to

Investment income:

Net appreciation in fair value of investments	\$ 11,421,515
Interest and dividend income	2,542,495
Other income	<u>406,358</u>
Net investment income	<u>14,370,368</u>

Interest income on notes receivable from participants	<u>153,752</u>
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Contributions:

Employee - pre-tax deferrals	10,966,488
Employee - Roth deferrals	389,928
Employee - rollovers	1,880,349
Employer - matching	<u>4,759,226</u>
Total contributions	<u>17,995,991</u>

Total additions	<u>32,520,111</u>
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Deductions from Net Assets Attributed to

Benefits paid to participants	22,709,889
Administrative expenses	<u>481,365</u>
Total deductions	<u>23,191,254</u>

Transfers

Transfers from FP, LLC 401(k) Profit Sharing Plan	1,401,006
Transfers to Magicard US, Inc. 401(k) Plan	<u>(820,113)</u>
Net transfers	<u>580,893</u>

Net Increase in Net Assets	9,909,750
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Net Assets Available for Benefits - Beginning of Year	<u>202,361,110</u>
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Net Assets Available for Benefits - End of Year	<u>\$ 212,270,860</u>
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The accompanying notes are an integral part of the financial statements

ULTRA ELECTRONICS, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF PLAN

The following description of the Ultra Electronics, Inc. 401(k) Plan (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan established to provide retirement benefits for employees of Ultra Electronics, Inc. (the Company) and its wholly owned subsidiaries listed below:

Ultra Electronics Measurement Systems, Inc.
EMS Development, Inc.
Ultra Electronics Flightline Electronics, Inc.
UnderSea Sensor Systems, Inc.
Ultra Electronics Card Systems, Inc. (through June 2016)
Ultra Electronics Advanced Tactical Systems, Inc.
Ultra Electronics Precision Air & Land Systems, Inc.
Ultra Electronics Ocean Systems, Inc.
Ultra Electronics ICE, Inc.
Prologic, Inc.
3e Technologies International, Inc.
3 Phoenix, Inc.
Forensic Technology, Inc.
Weed Instrument Company, Inc. DBA - NSPI Inc.
Herley Industries, Inc.
Ultra Electronics USA Group, Inc. (Parent Corporation)

There are no age or service requirements to become eligible to participate in the Plan.

Effective February 1, 2016, the FP, LLC 401(k) Plan, a defined contribution plan maintained by Furnace Parts, LLC, a recently acquired subsidiary of the Company, was merged into the Plan and employees of Furnace Parts, LLC, became eligible to participate in the Plan. In June 2016, Card Systems, a division of the Company, was sold and all assets of the participants were transferred to Magicard US, Inc. 401(k) Plan in December 2016. See Note 8 for the details of the plan merger and transfer of assets.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Contributions

Participants may contribute between 1% and 100% of compensation, as defined by the Plan, as pre-tax or Roth contributions. Newly eligible employees are automatically enrolled into the Plan with a default pre-tax contribution rate equal to 3% of the participant's compensation, unless they affirmatively elect otherwise. Additionally, unless otherwise elected by the participant, the default pre-tax contribution rate will increase by 1 percentage point for each year that the participant is employed, up to a maximum rate of 10%. Eligible employees may also contribute amounts representing distributions from other qualified retirement plans (rollovers). The Company makes a safe-harbor matching contribution of 100% of the first 1% of compensation deferred by the employee and 60% of the next 5% of compensation deferred by the employee. In addition, the Company may make additional profit-sharing contributions at the discretion of the Board of Directors. There were no discretionary profit-sharing contributions for the year ended December 31, 2016. All contributions are subject to certain limitations imposed by the Plan and the Internal Revenue Code (the Code).

ULTRA ELECTRONICS, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

Participant Accounts

Each participant's account is credited with the participant's contributions and Company contributions, and allocations of plan earnings. Participant accounts are charged with an allocation of administrative expenses paid by the Plan. Allocations of Company contributions, investment income and administrative expenses are based on participants' compensation or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested accounts.

Investment Options

Participants may direct their contributions into any of the funds offered by the Plan, which are held at Wells Fargo Bank, N.A (Wells Fargo). These funds include a variety of investment options with various objectives and degrees of financial risk. In addition, the Plan offers a self-directed account fund in which the investments are directed by the individual participant.

Vesting

Participants are immediately vested in their deferral and rollover contributions, including the earnings on those amounts. Vesting in the Company contributions portion of their accounts is based on years of continuous service. Participants are fully vested in employer contributions made prior to January 1, 2008 upon the completion of five years of service. Participants are 100% vested in safe-harbor employer matching contributions made after January 1, 2008 after two years of service. Participants are also fully vested upon reaching normal retirement age, death or total disability.

Notes Receivable from Participants

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or one-half of their vested account balance. Loan terms range from one to five years, except for loans to purchase a primary residence, which may be offered over a term of up to thirty years. The loans are secured by the balance in the participants' accounts and bear interest at a rate commensurate with local prevailing rates, as determined by the plan administrator. The notes currently bear interest at rates ranging from 4.25% to 9.25%. Participants may only have one loan outstanding at any given time. Generally, principal and interest are paid ratably through payroll deductions.

Payment of Benefits

Upon retirement, disability, death or termination of employment, the participant shall become entitled to the total value of his or her vested account. Distributions will be paid in a lump sum or in installments over a number of years, based upon election of the participant or as defined in the Plan or the Code. If a participant terminates employment for any reason and his or her vested account balance does not exceed \$1,000, the plan administrator may distribute such amount in a lump-sum payment to the participant without consent of the participant. If the participant's balance is between \$1,000 and \$5,000, the plan administrator may roll the amount into an individual retirement account on behalf of the participant without the consent of the participant.

The Plan also provides for in-service withdrawals by participants who have attained the age of 59½. In addition, upon financial hardship, a participant is entitled to the value of his or her deferral accounts, but not the earnings thereon, which is payable immediately in a lump-sum distribution.

ULTRA ELECTRONICS, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

Forfeitures

Forfeitures of discretionary profit-sharing contributions are allocated to the remaining plan participants at the end of the plan year in proportion to their compensation. Forfeitures of matching contributions are used to pay the Plan's administrative expenses or to reduce the Company's matching contributions.

Forfeited nonvested matching accounts totaled \$18,808 and \$173,729 at December 31, 2016 and 2015, respectively. Company matching contributions were reduced by \$258,256 from forfeited nonvested matching accounts for the year ended December 31, 2016. Forfeited nonvested matching accounts totaling \$23,870 were used to pay administrative expenses for the year ended December 31, 2016.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

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 certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on the 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.

Other income represents income received from revenue-sharing arrangements with Wells Fargo.

Notes Receivable from Participants

Notes receivable from participants are measured at their unpaid principal balances plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded on the accrual basis. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment of Benefits

Benefits to participants are recorded when paid.

ULTRA ELECTRONICS, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

Plan Expenses

Certain expenses of maintaining the Plan are paid directly by the Company. Fees related to the administration of notes receivable from participants and distributions are charged directly to the participant's account and are included in administrative expenses. Investment-related expenses are included in net appreciation (depreciation) in fair value of investments.

Risks and Uncertainties

The Plan provides for various investment options. These investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain securities, it is at least reasonably possible that changes in the values of investments will occur in the near term and those changes could materially affect participant account balances and the amounts reported in the statements of net assets available for benefits.

Subsequent Events

Subsequent events were evaluated through July 20, 2017, the date the financial statements were available to be issued.

NOTE 3 - CERTIFICATION BY THE INVESTMENT TRUSTEE

Information presented in the accompanying statements and schedule as of December 31, 2016 and 2015, and for the year ended December 31, 2016 for investments, notes receivable from participants, investment income and interest income on notes receivable from participants was derived, without audit, from information certified to be complete and accurate by Wells Fargo, the trustee, as permitted by the election made by the plan administrator under 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

NOTE 4 - FAIR VALUE MEASUREMENTS

Accounting principles generally accepted in the United States of America establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2

Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

ULTRA ELECTRONICS, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Assets valued using the net asset value practical expedient are not required to be reported within the hierarchy.

The following is a description of the valuation methodology used for assets measured at fair value:

Money Market and Mutual Funds

Money market and mutual funds are valued at the quoted price of shares held by the Plan at year end.

Self-Directed Investments

Self-directed investments include money market funds, mutual funds, common stocks and exchange traded funds.

Money market and mutual funds held within self-directed accounts are valued at the quoted price of shares held by the Plan at year end and are valued using Level 1 inputs.

Common stocks held within self-directed accounts are valued at the closing price reported in the active market in which the individual securities are traded and are valued using Level 1 inputs.

Exchange traded funds held within self-directed accounts are valued at the closing price reported in the active market in which the individual securities are traded and are valued using Level 1 inputs.

Common and Collective Trust

The common and collective trust is composed primarily of fully benefit-responsive investment contracts and is valued at the net asset value of the units held of the collective trust. The net asset value is used as a practical expedient to estimate fair value.

There have been no changes in the methodologies used at December 31, 2016 and 2015.

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

ULTRA ELECTRONICS, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

2016					
	Level 1	Level 2	Level 3	Investments Measured at Net Asset Value (a)	Total
Money market and mutual funds	\$ 182,916,500	\$ -	\$ -	\$ -	\$ 182,916,500
Self-directed investments	3,967,422	-	-	-	3,967,422
Common and collective trusts	-	-	-	22,462,674	22,462,674
Investments at Fair Value	<u>\$ 186,883,922</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,462,674</u>	<u>\$ 209,346,596</u>
2015					
	Level 1	Level 2	Level 3	Investments Measured at Net Asset Value (a)	Total
Money market and mutual funds	\$ 172,243,876	\$ -	\$ -	\$ -	\$ 172,243,876
Self-directed investments	3,821,917	-	-	-	3,821,917
Common and collective trusts	-	-	-	23,093,143	23,093,143
Investments at Fair Value	<u>\$ 176,065,793</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,093,143</u>	<u>\$ 199,158,936</u>

(a) Certain investments that are measured using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

There were no transfers between levels of investments during the years ended December 31, 2016 and 2015.

Investments in common and collective trusts provide for daily liquidity and have no redemption features or other restrictions.

ULTRA ELECTRONICS, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

NOTE 5 - PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are shares of common and collective trusts and mutual funds managed by affiliates of Wells Fargo. Wells Fargo is a trustee as defined by the Plan, and, therefore, these transactions qualify as party-in-interest transactions. Other parties-in-interest include recordkeepers and professional service firms who provide services to the Plan. Administrative expenses paid by the Plan to parties-in-interest totaled \$458,495 for the year ended December 31, 2016. Certain employees of the Company who participate in the Plan perform administrative services to the Plan at no cost to the Plan. Notes receivable from participants are also party-in-interest transactions.

NOTE 6 - INCOME TAX STATUS

The Plan has adopted a nonstandardized prototype plan that received a favorable opinion letter from the Internal Revenue Service (IRS) that it was in compliance with the applicable requirements of the Code. The plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Code. Therefore, the plan administrator believes the Plan was qualified and the related trust was tax exempt as of the financial statement date.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

NOTE 7 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will become fully vested in their accounts.

NOTE 8 - PLAN MERGERS

In February 2016, the FP, LLC 401(k) Profit Sharing Plan, a defined contribution plan maintained by Furnace Parts, LLC, a recently acquired subsidiary of the Company, was merged into the Plan. The investments of the FP, LLC 401(k) Profit Sharing Plan were liquidated and merged as cash. Management believes that the plan merger was a tax-exempt transaction under the applicable provisions of the Code and, therefore, is not subject to federal income taxes. A summary of the net assets transferred into the Plan is as follows:

Investments:	
Cash	\$ 1,321,645
Notes receivable from participants	<u>79,361</u>
Total Net Assets Merged into the Plan	\$ <u><u>1,401,006</u></u>

ULTRA ELECTRONICS, INC. 401(K) PLAN

NOTES TO FINANCIAL STATEMENTS

In June 2016, Card Systems, a division of the Company, was sold and all assets of the participants were transferred to Magicard US, Inc. 401(k) Plan in December 2016. A summary of net assets transferred out of the Plan is as follows:

Investments:

Investments, at fair value	\$	555,981
Cash		215,470
Notes receivable from participants		<u>48,662</u>
Net Assets Transferred to the Magicard US, Inc.401(k) Plan	\$	<u><u>820,113</u></u>

ULTRA ELECTRONICS, INC. 401(K) PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) DECEMBER 31, 2016

Employer Identification Number: 06-1506005

Plan Number: 001

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investments Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value
	Vanguard Primecap Fund	Mutual fund, 240,173 shares	**	\$ 25,234,946
*	Wells Fargo Stable Return Fund N35	Common and collective trust 450,593 units	**	22,462,674
*	Wells Fargo Advantage Index Fund	Mutual fund, 268,065 shares	**	16,652,221
*	WF Advantage Total Return Bond Fund	Mutual fund, 1,117,898 shares	**	14,186,129
	American Balanced Fund	Mutual fund, 505,735 shares	**	12,547,288
*	WF Advantage Dow Jones TRGT 2030	Mutual fund, 743,877 shares	**	12,147,513
	American Europacific Growth Fund	Mutual fund, 252,867 shares	**	11,189,756
	American Amcap Fund Class A	Mutual fund, 382,284 shares	**	10,409,583
	Artisan Mid Capitalization Stock Fund	Mutual fund, 279,784 shares	**	10,178,538
	American Washington Mutual Investors Fund	Mutual fund, 223,316 shares	**	9,144,776
*	WF Advantage Dow Jones TRGT 2040	Mutual fund, 460,968 shares	**	8,721,515
*	WF Advantage Dow Jones TRGT 2020	Mutual fund, 541,324 shares	**	7,995,360
	Goldman Sachs Small Cap Value	Mutual fund, 116,161 shares	**	6,975,448
	American Century Real Estate	Mutual fund, 235,746 shares	**	6,622,101
	American Funds Small Cap World Fund	Mutual fund, 123,162 shares	**	5,662,998
*	WF Spec Mid Cap Value Adm	Mutual fund, 143,426 shares	**	5,126,035
	Ivy Science & Technology I	Mutual fund, 90,525 shares	**	5,058,517
*	WF Advantage Dow Jones TRGT 2050	Mutual fund, 385,616 shares	**	4,183,938
*	WF Advantage Dow Jones TRGT 2025	Mutual fund, 268,636 shares	**	2,740,082
*	WF Advantage Dow Jones TRGT 2035	Mutual fund, 241,328 shares	**	2,603,934
*	WF Advantage Dow Jones TRGT 2045	Mutual fund, 143,666 shares	**	1,632,044
	Franklin Small Cap Growth R6	Mutual fund, 57,251 shares	**	1,139,297
*	WF Advantage Dow Jones TRGT 2010	Mutual fund, 82,859 shares	**	1,023,306
*	WF Advantage Dow Jones TRGT 2055	Mutual fund, 52,739 shares	**	697,204
*	WF Advantage Dow Jones TRGT 2015	Mutual fund, 51,603 shares	**	513,970
*	WF Advantage Dow Jones TRGT Today	Mutual fund, 42,810 shares	**	455,928
	Columbia Small Cap Index R5	Mutual fund, 1,596 shares	**	38,542
*	WF Advantage Dow Jones TRGT 2060	Mutual fund, 3,441 shares	**	35,511
	Vanguard Developed Markets Index Admiral	Mutual fund, 2 shares	**	20
				<u>205,379,174</u>
	Self-Directed Investments:			
	Other investments in self-directed brokerage accounts		**	<u>3,967,422</u>
				209,346,596
*	Participant loans	Interest rates ranging from 4.25% to 9.25%		<u>2,899,217</u>
				<u>\$ 212,245,813</u>
*	Party-in-interest			
**	Cost omitted for participant-directed investments			