

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>DRC DEFINED BENEFIT PENSION PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>002</u>
		1c	Effective date of plan <u>01/01/1980</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>DYNAMICS RESEARCH CORPORATION</u> <u>3750 CENTERVIEW DRIVE</u> <u>CHANTILLY, VA 20151</u>	2b	Employer Identification Number (EIN) <u>04-2211809</u>
		2c	Plan Sponsor's telephone number <u>703-375-6508</u>
		2d	Business code (see instructions) <u>541990</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.	10/16/2017	AMY HEFFERNAN
	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 1206
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) 34
a(2) Total number of active participants at the end of the plan year	6a(2) 32
b Retired or separated participants receiving benefits.....	6b 776
c Other retired or separated participants entitled to future benefits	6c 267
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 1075
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 116
f Total. Add lines 6d and 6e	6f 1191
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:
 11

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

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

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

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **0** **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 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 _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2016</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016	
Round off amounts to nearest dollar.	
Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan DRC DEFINED BENEFIT PENSION PLAN	B Three-digit plan number (PN) 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF DYNAMICS RESEARCH CORPORATION	D Employer Identification Number (EIN) 04-2211809
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information			
1 Enter the valuation date: Month 01 Day 01 Year 2016			
2 Assets:			
a Market value	2a	50129256	
b Actuarial value	2b	55071563	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	898	48496517	48496517
b For terminated vested participants	288	12559215	12559215
c For active participants	34	656935	665216
d Total	1220	61712667	61720948
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5	5.96 %	
6 Target normal cost	6	805184	

Statement by Enrolled Actuary

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

<div>SIGN HERE</div>	<div>10/16/2017</div> <div>Date</div> <div>17-07483</div> <div>Most recent enrollment number</div> <div>703-258-8000</div> <div>Telephone number (including area code)</div>
<div>KATIE EUSTON</div> <div>Type or print name of actuary</div> <div>TOWERS WATSON DELAWARE INC.</div> <div>Firm name</div> <div>800 NORTH GLEBE ROAD</div> <div>ARLINGTON, VA 22203</div> <div>Address of the firm</div>	

Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>-3.69</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		0
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.22</u> %		0
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III		Funding Percentages	
14	Funding target attainment percentage	14	89.22%
15	Adjusted funding target attainment percentage	15	89.22%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	100.29%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and Liquidity Shortfalls	
18 Contributions made to the plan for the plan year by employer(s) and employees:			
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	
11/22/2016	430000	0	
12/13/2016	430000	0	
01/17/2017	1156305	0	
		Totals ►	18(b) 2016305 18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 1903818
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	

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

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21 Discount rate:			
a Segment rates:		1st segment: 4.43%	2nd segment: 5.91%
		3rd segment: 6.65%	☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			
Part VI	Miscellaneous Items		
24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No			
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No			
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No			
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.			27
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years		
28 Unpaid minimum required contributions for all prior years			28 0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)			29 0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)			30 0
Part VIII	Minimum Required Contribution For Current Year		
31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)			31a 805184
b Excess assets, if applicable, but not greater than line 31a			31b 0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		6649385	1098634
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount			33
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)			34 1903818
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)			36 1903818
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)			37 1903818
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)			38a 0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances			38b 0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)			39 0
40 Unpaid minimum required contributions for all years			40 0
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)		
41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected ☐ 2 plus 7 years ☐ 15 years			
b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011			
42 Amount of acceleration adjustment			42 0
43 Excess installment acceleration amount to be carried over to future plan years			43 0

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 DRC DEFINED BENEFIT PENSION PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 DYNAMICS RESEARCH CORPORATION	D Employer Identification Number (EIN) 04-2211809	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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(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)

MORGAN STANLEY SMITH BARNEY

26-4310632

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	251071	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

TOWERS WATSON DELAWARE INC.

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	176864	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

FIRST STATE TRUST COMPANY

13-3124172

(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?
21 50	NONE	79883	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)

MOODY FAMIGLIETTI AND ANDRONICO LLP

04-3077056

(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	15291	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:	MICHAEL A. HLUSKA	b EIN:	53-0181291
c Position:	ENROLLED ACTUARY		
d Address:	TOWERS WATSON DELAWARE INC. 800 BOYLSTON STREET BOSTON, MA 02199-8103	e Telephone:	617-638-3700

Explanation: REASSIGNMENT OF WORK WITHIN WILLIS TOWERS WATSON.

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 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 DRC DEFINED BENEFIT PENSION PLAN	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 DYNAMICS RESEARCH CORPORATION	D Employer Identification Number (EIN) 04-2211809	

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	-1267	16070
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	1156305
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	224354	320225
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	3287545	99164
(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)	15689316	15101268
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	160076	0
(B) Common.....	1c(4)(B)	7094267	24924533
(5) Partnership/joint venture interests	1c(5)	6438189	6422722
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	17236776	1639907
(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	50129256	49680194

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	50129256	49680194
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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)	2016305	
(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)		2016305
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	5655	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)	788309	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	49	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		794013
(2) Dividends: (A) Preferred stock	2b(2)(A)	930	
(B) Common stock	2b(2)(B)	866009	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	2723	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		869662
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	39108699	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	39248170	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-139471
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	2550458	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		2550458

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-7483
c Other income.....	2c		-387855
d Total income. Add all income amounts in column (b) and enter total.....	2d		5695629

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4914526	
(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)		4914526
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)	272038	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	251071	
(4) Other	2i(4)	707056	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		1230165
j Total expenses. Add all expense amounts in column (b) and enter total	2j		6144691

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-449062
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: MOODY, FAMIGLIETTI & ANDRONICO, LLP

(2) EIN: 04-3077056

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			
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)

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 4000774. (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>DRC DEFINED BENEFIT PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DYNAMICS RESEARCH CORPORATION</u>	D Employer Identification Number (EIN) <u>04-2211809</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): _____ 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>2</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

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: <u>48.9</u> % Investment-Grade Debt: <u>19.5</u> % High-Yield Debt: <u>12.2</u> % Real Estate: <u>0.0</u> % Other: <u>19.4</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):	

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 / /	



MOODY, FAMIGLIETTI & ANDRONICO
Certified Public Accountants & Consultants

To the Pension Committee of the
Dynamics Research Corporation Defined Benefit Pension Plan
Chantilly, Virginia

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Dynamics Research Corporation Defined Benefit Pension Plan (the "Plan"), which comprise the statements of net assets available for plan benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for plan benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

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 10, which was certified by First State Trust Company, the trustee of the Plan, except for comparing such 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 a certification 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.



Dynamics Research Corporation Defined Benefit Pension Plan
Page 2

Other Matter

The supplemental schedules of assets (held at end of year) as of December 31, 2016 and supplemental schedule of reportable transactions for the year ended December 31, 2016 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not required parts 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 these supplemental schedules.

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

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the 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.

Moody, Famiglietti & Andronico, LLP

Moody, Famiglietti & Andronico, LLP
Tewksbury, Massachusetts
October 13, 2017

Statements of Net Assets Available for Plan Benefits

Dynamics Research Corporation
Defined Benefit Pension Plan

December 31	2016	2015
Assets		
Investments at Fair Value:		
Mutual Funds	\$ 17,627,578	\$ 17,236,776
Corporate and Foreign Bonds	15,101,268	15,689,316
Common Equity Securities	7,339,866	6,481,530
Partnerships	4,899,636	4,994,338
Money Market Funds	1,653,498	3,287,545
Hedge Funds	1,523,086	1,443,851
Real Estate Investment Trusts	42,662	612,737
Preferred Equity Securities	-	160,076
Total Investments	48,187,594	49,906,169
Receivables:		
Plan Sponsor Contributions	1,156,305	-
Interest Income	320,225	224,354
Amounts Due from Broker	5,141	-
Total Receivables	1,481,671	224,354
Cash - Noninterest Bearing	10,929	-
Total Assets	49,680,194	50,130,523
Liabilities		
Amounts Due to Broker	-	1,267
Net Assets Available for Plan Benefits	\$ 49,680,194	\$ 50,129,256

**Statement of Changes in Net Assets
Available for Plan Benefits**

**Dynamics Research Corporation
Defined Benefit Pension Plan**

For the Year Ended December 31

2016

Additions to Net Assets:

Investment Income:

Interest and Dividend Income from Investments \$ 1,663,675

Net Appreciation on Fair Value of Investments 2,015,649

Total Investment Income 3,679,324

Contributions:

Plan Sponsor Contributions 2,016,305

Total Additions 5,695,629

Deductions from Net Assets:

Benefits Paid to Participants 4,914,526

Administrative Expenses 1,230,165

Total Deductions 6,144,691

Net Decrease in Net Assets Available for Plan Benefits (449,062)

Net Assets Available for Plan Benefits, Beginning of Year 50,129,256

Net Assets Available for Plan Benefits, End of Year \$ 49,680,194

1. Description of the Plan:

The following description of Dynamics Research Corporation Defined Benefit Pension Plan (the "Plan") provides only general information. Participants should refer to the Plan agreement for more complete information regarding the terms of the Plan.

General: The Plan is a noncontributory defined benefit plan maintained for the purpose of providing retirement benefits to eligible employees of Dynamics Research Corporation (the "Plan Sponsor"), a wholly-owned subsidiary of Engility Holdings, Inc. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Board of Directors governing the Plan Sponsor is responsible for the oversight of the Plan. The Board of Directors of the Plan Sponsor determines the appropriateness of the Plan's investment offerings and monitors investment performance.

Effective June 30, 2002, the Board of Directors of the Plan Sponsor voted to freeze participation in the Plan and to amend the Plan's accrual of future benefits.

Eligibility: Through June 30, 2002, generally, all employees of the Plan Sponsor who had completed 12 consecutive months of service and at least 1,000 hours and who did not make a special election to the contrary were considered Participants in the Plan (the "Participants").

Funding Policy: The Plan Sponsor makes contributions to the Plan to meet or exceed the annual ERISA minimum funding requirements as determined by the Plan's independent actuary. No voluntary employee contributions are permitted. For the year ended December 31, 2016, the minimum funding requirement was met and a Plan Sponsor contributions receivable in the amount of \$1,156,305 was recorded on the accompanying statement of net assets available for plan benefits.

Vesting: As of June 30, 2007, all Participants were fully vested.

Pension Benefits: The Plan provides for retirement benefits in the form of a life annuity to be paid to Participants who have reached the age of 65 and who have retired from active service with the Plan Sponsor. In addition, the Plan provides for benefits upon early retirement, vested termination and pre-retirement death and disability. The annual normal retirement benefit is the greatest of:

- 0.6833% of average annual compensation plus 0.65% of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;
- the benefit accrued as of December 31, 1987 under the former plans;
- \$60 multiplied by years of benefit service.

Effective October 1, 2007, the Board of Directors of the Plan Sponsor approved plan participants age 65 or older, to continue working at their current schedule and be eligible to begin receiving their full pension payments. Plan participants who do not choose to commence pension payments will receive an actuarial adjustment when they do decide to start receiving pension benefits, to reflect their delayed retirement beyond age 65.

2. Significant Accounting Policies:

Basis of Accounting: The financial statements of the Plan are prepared under the accrual method of accounting.

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. The Pension Committee, serving as the Plan Administrator, determines the Plan's valuation policies utilizing information provided by the investment advisers, custodians, and insurance company. See Note 4 for further discussion of fair value measurements.

Notes to Financial Statements (Continued)**Dynamics Research Corporation
Defined Benefit Pension Plan****2. Significant Accounting Policies (Continued):**

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payment of Benefits: Benefits are recorded when paid.

Expenses: Certain expenses of maintaining the Plan are paid directly by the Plan Sponsor and are excluded from these financial statements. Investment related expenses are included in administrative expenses.

Use of Estimates: The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosures of contingent assets and liabilities. Actual results could differ from those estimates.

Subsequent Events: The Plan Administrator has evaluated subsequent events through October 13, 2017, the date the financial statements were available to be issued.

Notes to Financial Statements (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan**3. Actuarial Present Value of Accumulated Benefits:**

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits. The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuations as of December 31, 2016 and 2015, were (a) life expectancy of participants, (b) retirement age assumptions, and (c) investment return. The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated Plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2017 and 2016. Had the valuations been performed as of December 31, there would be no material differences. Willis Towers Watson is the Plan's actuarial consultant. The significant assumptions used in the actuarial valuation as of December 31, 2016 and 2015 are as follows:

Investment Return	7.86% compounded annually at December 31, 2016
	8.00% compounded annually at December 31, 2015
Mortality Table	RP-2014 Mortality Tables with separate rates for males and females with generational projection back to 2006 using scale MP-2014 and then projected forward generationally from 2006 using scale MP-2015.
Normal Retirement Age	It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%

The actuarial present value of accumulated plan benefits at December 31, 2016 and 2015 is as follows:

	2016	2015
Actuarial Present Value of Vested Accumulated Plan Benefits:		
Participants Currently Receiving Benefits	\$ 43,712,314	\$ 43,618,240
Other Participants	10,618,004	10,830,159
	<u>54,330,318</u>	<u>54,448,399</u>
Actuarial Present Value of Nonvested Accumulated Plan Benefits	9,416	8,893
	<u>\$ 54,339,734</u>	<u>\$ 54,457,292</u>

Notes to Financial Statements (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan**3. Actuarial Present Value of Accumulated Benefits (Continued):**

The changes in the actuarial present value of accumulated plan benefits for the year ended December 31, 2016 consist of the following:

Actuarial Present Value of Accumulated Plan Benefits, Beginning of Year	<u>\$ 54,457,292</u>
Increase (Decrease) During the Year Attributable to:	
Increase for Interest	4,160,002
Benefits Paid	(4,914,526)
Change in Actuarial Assumptions	603,800
Actuarial Losses (Gains)	<u>33,166</u>
Net Decrease	<u>(117,558)</u>
Actuarial Present Value of Accumulated Plan Benefits, End of Year	<u><u>\$ 54,339,734</u></u>

Notes to Financial Statements (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan**4. Fair Value Measurements:**

The framework for measuring fair value 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 as follows:

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; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

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 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 maximize the use of observable inputs and minimize the use of unobservable inputs.

There have been no changes in the methodologies used for the years ended December 31, 2016 and 2015. The following is a description of the valuation methodologies used for assets measured at fair value:

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Corporate and Foreign Bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote if available.

Money Market Funds: Valued at NAV based on information reported by the custodian and/or trustee with reference to the market value of funds underlying assets at end of year.

Real Estate Investment Trusts: Valued at the closing price reported on the active market on which the individual real estate investment trusts are traded.

Partnerships and Hedge Funds: Valued based on the NAV per share, without further adjustment. The NAV is used as a practical expedient to estimate fair value. NAV is based upon the fair value of the underlying investments.

Common Equity Securities: Valued at the closing price reported on the security's respective stock exchange.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although 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.

Notes to Financial Statements (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan

4. Fair Value Measurements (Continued):

The following table sets forth, by level within the fair value hierarchy, the Plan's fair value measurements as of December 31, 2016 and 2015:

		Assets at Fair Value as of December 31, 2016			
		Total	Level 1	Level 2	Level 3
Investments:					
Mutual Funds	\$	17,627,578	\$ 17,627,578	\$ -	\$ -
Corporate and Foreign Bonds		15,101,268	-	15,101,268	-
Common Equity Securities		7,339,866	7,339,866	-	-
Real Estate Investment Trusts		42,662	42,662	-	-
Money Market Funds		1,653,498	1,653,498	-	-
Total Assets in the Fair Value Hierarchy					
		41,764,872	\$ 26,663,604	\$ 15,101,268	\$ -
Investments Measured at Net Asset Value					
		6,422,722			
Investments at Fair Value	\$	48,187,594			
		Assets at Fair Value as of December 31, 2015			
		Total	Level 1	Level 2	Level 3
Investments:					
Mutual Funds	\$	17,236,776	\$ 17,236,776	\$ -	\$ -
Corporate and Foreign Bonds		15,689,316	-	15,689,316	-
Common Equity Securities		6,481,530	6,481,530	-	-
Real Estate Investment Trusts		612,737	612,737	-	-
Money Market Funds		3,287,545	3,287,545	-	-
Preferred Equity Securities		160,076	160,076	-	-
Total Assets in the Fair Value Hierarchy					
		43,467,980	\$ 27,778,664	\$ 15,689,316	\$ -
Investments Measured at Net Asset Value					
		6,438,189			
Investments at Fair Value	\$	49,906,169			

Investment strategies relating to investments measured at fair value based on NAV as a practical expedient are as follows:

Partnerships:

- The investment objective of the SkyBridge Multi-Advisor Fund is to seek capital appreciation. The fund seeks to implement its objective principally through investing in investment funds managed by third-party investment managers that employ a variety of alternative investment strategies. The investment program of the fund can be referred to as a fund of hedge funds.

Notes to Financial Statements (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan

4. Fair Value Measurements (Continued):

Hedge Funds:

- The investment objective of the Millennium Fund is to achieve above-average appreciation by opportunistically trading and investing in a wide variety of securities, instruments, and other investment opportunities and engaging in a broad array of trading and investment strategies.

The following table summarizes investments measured at fair value based on NAV as a practical expedient as of December 31, 2016 and 2015, respectively:

Financial Asset	Fair Value as of December 31, 2016	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Partnerships:				
SkyBridge Multi-Advisor Fund	\$ 4,899,636	None	N/A*	N/A*
Hedge Fund:				
Millennium Fund	<u>1,523,086</u>	None	Semi-Annually	90 Days
	<u>\$ 6,422,722</u>			

Financial Asset	Fair Value as of December 31, 2015	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Partnerships:				
SkyBridge Multi-Advisor Fund	\$ 4,994,338	None	N/A*	N/A*
Hedge Fund:				
Millennium Fund	<u>1,443,851</u>	None	Semi-Annually	90 Days
	<u>\$ 6,438,189</u>			

*Investments in the SkyBridge Multi-Advisor Hedge Fund cannot be redeemed at the discretion of the Plan Sponsor. The SkyBidge MultiAdvisor Hedge Fund investment committee expects that it typically will recommend to the Board of Directors that the Company offer to repurchase units from unitholders quarterly.

Valuation policies and procedures are managed by the Plan Sponsor's management, which regularly monitors fair value measurements. Fair value measurements, including those categorized within Level 3, are prepared and reviewed on their issuance date and then on an annual basis and any third-party valuations are reviewed for reasonableness and compliance with the *Fair Value Measurement* topic of the FASB's Accounting Standards Codification.

Notes to Financial Statements (Continued)**Dynamics Research Corporation
Defined Benefit Pension Plan****5. Party-in-Interest and Related Party Transactions:**

Certain Plan investments are managed by First State Trust Company, trustee of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services and audit fees are included in administrative expenses, as they are paid through revenue sharing, rather than direct payment, in the accompanying statement of changes in net assets available for plan benefits for the year ended December 31, 2016.

The Plan Sponsor is a wholly-owned subsidiary of Engility Holdings, Inc. During the year ended December 31, 2015, the Plan purchased 135 shares of Engility Holdings, Inc. common stock at a cost of \$2,566 and sold 1,114 shares for proceeds of \$32,484, resulting in a realized loss of \$1,880. As of December 31, 2016, the Plan no longer holds any equity interest in Engility Holdings, Inc.

6. Tax Status:

The Plan has adopted the standardized prototype plan of First State Trust Company. The standardized prototype plan sponsor received a favorable opinion letter dated September 24, 2015 in which the Internal Revenue Service stated that the form of the standardized prototype plan was in compliance with the applicable requirements of the IRC. The Plan Administrator believes that the Plan and related trust are designed and being operated in compliance with the applicable requirements of the IRC, and that the related trust is therefore tax-exempt.

GAAP requires plan management to evaluate tax positions taken by the Plan and to recognize a tax liability (or asset) if the Plan Sponsor has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan Administrator believes it has no uncertain tax positions as of December 31, 2016 and 2015 and for the year ended December 31, 2016.

7. Plan Termination:

While it is the intention of the Plan Sponsor to continue the Plan indefinitely, the Plan Sponsor reserves the

right to terminate or amend the Plan at any time subject to the provisions of ERISA. In the event of termination, the rights of all Participants to benefits will become nonforfeitable to the extent funded or as guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a U.S. government agency. The priorities for determining the allocation of Plan assets would be governed by ERISA and regulations issued by the PBGC. First State Trust Company, the trustee, will make distributions to the Participants or their beneficiaries in accordance with the instructions of the Pension Committee, or in the absence of such instructions, as the trustee deems advisable.

8. Frozen Plan:

On December 11, 2001, the Board of Directors of the Plan Sponsor voted to freeze membership to the Plan and to amend the Plan's accrual of benefits as of June 30, 2002. Effective June 30, 2002, all Participants eligible for benefits will receive those earned benefits. Such benefits will be calculated as of June 30, 2002, based on each Participant's highest five consecutive years of earnings through that date. The calculated benefit was increased annually by 3%, for the plan years ended December 31, 2003 through December 31, 2006. Effective January 1, 2007, the 3% annual increase was discontinued.

From January 1, 2015 to January 1, 2017, the number of active participants declined due to general active participation attrition. The Plan provided notice to the PBGC of the decline in active participants as a reportable event.

9. Risks and Uncertainties:

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, 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 such changes could materially affect the Plan's investment balances and the amounts reported in the accompanying statements of net assets available for plan benefits.

10. Information Certified by the Trustee:

The Plan Sponsor has elected the method of compliance permitted under 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. Accordingly, no auditing procedures with respect to the information certified by First State Trust Company, the trustee of the Plan, were performed by the independent auditors except for comparing the information to the financial

statements and supplemental schedules. The trustee has certified as to the completeness and accuracy of the investments held by the Plan as of December 31, 2016 and 2015, the investment earnings and the other investment-related transactions of the Plan for the year ended December 31, 2016, and the information contained in the accompanying supplemental schedules of assets (held at end of year) as of December 31, 2016 and of reportable transactions for the year ended December 31, 2016.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2015

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	0		0		0		0		0		0		0		0		0		0	
25 - 29	0		0		0		0		0		0		0		0		0		0	
30 - 34	0		0		0		0		0		0		0		0		0		0	
35 - 39	0		1		0		0		0		0		0		0		0		0	
40 - 44	0		0		0		0		0		0		0		0		0		0	
45 - 49	0		3		1		2		0		0		0		0		0		0	
50 - 54	0		6		1		0		3		0		0		0		0		0	
55 - 59	0		5		1		0		2		0		0		0		0		0	
60 - 64	0		6		2		0		0		0		0		0		0		0	
65 - 69	0		1		0		0		0		0		0		0		0		0	
70 & Over	0		0		0		0		0		0		0		0		0		0	

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
 EIN / PN: 04-2211809 / 002
 Plan Sponsor: Dynamics Research Corporation
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

- | | |
|-----------------------|-----------------|
| ■ Applicable month | September |
| ■ Interest rate basis | 3-Segment Rates |

Interest rates:

	Reflecting Corridors	Not Reflecting Corridors
■ First segment rate	4.43%	1.34%
■ Second segment rate	5.91%	4.03%
■ Third segment rate	6.65%	5.06%
■ Effective interest rate	5.96%	4.12%

Annual rates of increase

- | | |
|-------------------------------------|-----|
| ■ Compensation | N/A |
| ■ Future Social Security wage bases | N/A |
| ■ Statutory limits on compensation | N/A |

Plan related expenses

The plan-related expenses are equal to the expected PBGC premium for the year plus \$125,000 in additional administrative expense for the year. The amount for 2016 is \$805,184.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant. Participation in this plan is frozen.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

■ Healthy The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

■ Disabled The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

Termination

Representative Termination Rates

Percentage leaving during the year		
Attained Age	Males	Females
20	30.0%	30.0%
25	30.0	30.0
30	20.0	20.0
35	15.0	15.0
40	12.5	12.5
45	10.0	10.0
50	7.5	7.5
55 & Over	0.0	0.0

Disability None.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809 / 002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age and gender are shown below.

Percentage retiring during the year		
Age	Males	Females
55-59	5.0%	5.0%
60-61	10.0%	10.0%
62-64	15.0%	15.0%
65	100.0%	100.0%

Benefit commencement date:

- Preretirement death benefit The later of the death of the active participant or the date the participant would have been eligible for early retirement.
- Deferred vested benefit Age 65.
- Retirement benefit Upon termination of employment.

Form of payment

Participants are assumed to elect the normal form.

Percent married

80% of participants are assumed to be married.

Spouse age

Wife three years younger than husband.

Timing of benefit payments

Annuity payments are payable monthly at the beginning of the month.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809 / 002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430.
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.
Actuarial value of assets [for determining minimum required contributions]	<p>Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2015 plan year).</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued. Towers Watson has reviewed the plan provisions with Engility and, based on that review, is not aware of any significant benefits required to be valued that were not.

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
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Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).

Source of Prescribed Methods

Funding methods	The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are “prescribed methods set by law”, as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.
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Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

Schedule H, Line 4j Supplemental Schedule of Reportable
Transactions for the Year Ended

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

Reportable transactions for the year ended December 31, 2016

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset (including interest and maturity)	Purchase Price	Selling Price	Lease Rental	Expense Incurred With Transaction	Cost of Assets	Current Value Of Assets On Transaction Date	Net Gain (Loss)
Series of Transactions With Same Broker Exceeds 5% of Value								
Northern	Northern Inst'l Diversified Assets-SW							
	Purchases	\$ 11,601,659	\$ -	N/A	\$ -	\$ 11,601,659	\$ 11,601,659	N/A
	Sales	\$ -	\$ 14,889,204	N/A	\$ -	\$ 14,889,204	\$ 14,889,204	\$ -
Morgan Stanley	Morgan Stanley Bank Deposit							
	Purchases	\$ 4,183,155	\$ -	N/A	\$ -	\$ 4,183,155	\$ 4,183,155	N/A
	Sales	\$ -	\$ 2,628,851	N/A	\$ -	\$ 2,628,851	\$ 2,628,821	\$ -
Northern	Northern Institutional Gov't Select							
	Purchases	\$ 5,459,273	\$ -	N/A	\$ -	\$ 5,459,273	\$ 5,459,273	N/A
	Sales	\$ -	\$ 5,360,109	N/A	\$ -	\$ 5,360,109	\$ 5,360,109	\$ -
Wisdomtree	Wisdomtree Diefa Fund							
	Sales	\$ -	\$ 10,490,154	N/A	\$ -	\$ 10,490,154	\$ 7,553,013	\$ (2,937,141)
Vanguard	Vanguard Total Inst'l Stock Index Fund ETF							
	Purchases	\$ 7,574,613	\$ -	N/A	\$ -	\$ 7,574,613	\$ 7,574,613	\$ -

* (a) Represents a party-in-interest to the Plan.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 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

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

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

A Name of plan DRC DEFINED BENEFIT PENSION PLAN	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">B Three-digit plan number (PN) ►</td> <td style="width: 40%; text-align: center;">002</td> </tr> <tr> <td colspan="2" style="height: 20px;"></td> </tr> </table>	B Three-digit plan number (PN) ►	002		
B Three-digit plan number (PN) ►	002				
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF DYNAMICS RESEARCH CORPORATION	D Employer Identification Number (EIN) 04-2211809				
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B					
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500					

Part I Basic Information									
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>									
2 Assets: <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 70%;">a Market value.....</td> <td style="width: 10%; text-align: center;">2a</td> <td style="width: 20%; text-align: right;">50,129,256</td> </tr> <tr> <td>b Actuarial value.....</td> <td style="text-align: center;">2b</td> <td style="text-align: right;">55,071,563</td> </tr> </table>				a Market value.....	2a	50,129,256	b Actuarial value.....	2b	55,071,563
a Market value.....	2a	50,129,256							
b Actuarial value.....	2b	55,071,563							
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target						
a For retired participants and beneficiaries receiving payment.....	898	48,496,517	48,496,517						
b For terminated vested participants.....	288	12,559,215	12,559,215						
c For active participants.....	34	656,935	665,216						
d Total.....	1,220	61,712,667	61,720,948						
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐ <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 5px;"> <tr> <td style="width: 70%;">a Funding target disregarding prescribed at-risk assumptions.....</td> <td style="width: 10%; text-align: center;">4a</td> <td style="width: 20%;"></td> </tr> <tr> <td>b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....</td> <td style="text-align: center;">4b</td> <td></td> </tr> </table>				a Funding target disregarding prescribed at-risk assumptions.....	4a		b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b	
a Funding target disregarding prescribed at-risk assumptions.....	4a								
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b								
5 Effective interest rate.....		5	5.96%						
6 Target normal cost.....		6	805,184						

Statement by Enrolled Actuary

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

SIGN HERE	Katie Euston Signature of actuary	<div style="text-align: right; margin-bottom: 10px;"> </div> Date 1707483
Katie Euston Type or print name of actuary		Most recent enrollment number 703-258-8000
Towers Watson Delaware Inc. Firm name		Telephone number (including area code)
800 North Glebe Road Arlington VA 22203 Address of the firm		

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

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

Schedule SB (Form 5500) 2016
v. 160205

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

21 Discount rate:			
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	805,184	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	6,649,385		1,098,634
b Waiver amortization installment	0		0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	1,903,818	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	1,903,818	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	1,903,818	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

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

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2015

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

x	q_x^r	l_x	$x-55 p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	0.05	1,000,000	1.000000	0.050000	2.750000
56	0.05	950,000	0.950000	0.047500	2.660000
57	0.05	902,500	0.902500	0.045125	2.572125
58	0.05	857,375	0.857375	0.042869	2.486388
59	0.05	814,506	0.814506	0.040725	2.402793
60	0.10	773,781	0.773781	0.077378	4.642686
61	0.10	696,403	0.696403	0.069640	4.248057
62	0.15	626,763	0.626763	0.094014	5.828892
63	0.15	532,748	0.532748	0.079912	5.034470
64	0.15	452,836	0.452836	0.067925	4.347225
65	1.00	384,911	0.384911	0.384911	25.019186

Average age at retirement 61.991822

Rounded for Schedule SB item 22 62

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
 EIN / PN: 04-2211809 / 002
 Plan Sponsor: Dynamics Research Corporation
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data as of January 1, 2015

Attained Age	Years of Credited Service													
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	0		0		0		0		0		0		0	
25 - 29	0		0		0		0		0		0		0	
30 - 34	0		0		0		0		0		0		0	
35 - 39	0		1		0		0		0		0		0	
40 - 44	0		0		0		0		0		0		0	
45 - 49	0		3		1		2		0		0		0	
50 - 54	0		6		1		0		3		0		0	
55 - 59	0		5		1		0		2		0		0	
60 - 64	0		6		2		0		0		0		0	
65 - 69	0		1		0		0		0		0		0	
70 & Over	0		0		0		0		0		0		0	

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
 EIN / PN: 04-2211809 / 002
 Plan Sponsor: Dynamics Research Corporation
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32 Schedule of Amortization Bases as of January 1, 2015

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1 Shortfall	01/01/2016	6,649,385	7	6,649,385	1,098,634
Total				6,649,385	1,098,634

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809 / 002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

- | | |
|-----------------------|-----------------|
| ■ Applicable month | September |
| ■ Interest rate basis | 3-Segment Rates |

Interest rates:

	Reflecting Corridors	Not Reflecting Corridors
■ First segment rate	4.43%	1.34%
■ Second segment rate	5.91%	4.03%
■ Third segment rate	6.65%	5.06%
■ Effective interest rate	5.96%	4.12%

Annual rates of increase

- | | |
|-------------------------------------|-----|
| ■ Compensation | N/A |
| ■ Future Social Security wage bases | N/A |
| ■ Statutory limits on compensation | N/A |

Plan related expenses

The plan-related expenses are equal to the expected PBGC premium for the year plus \$125,000 in additional administrative expense for the year. The amount for 2016 is \$805,184.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant. Participation in this plan is frozen.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

■ **Healthy** The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

■ **Disabled** The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

Termination

Representative Termination Rates

Percentage leaving during the year		
Attained Age	Males	Females
20	30.0%	30.0%
25	30.0	30.0
30	20.0	20.0
35	15.0	15.0
40	12.5	12.5
45	10.0	10.0
50	7.5	7.5
55 & Over	0.0	0.0

Disability None.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809 / 002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Retirement

For purposes of determining the Funding Target and Target Normal Cost (both disregarding at-risk assumptions), the rates at which participants retire by age and gender are shown below.

Percentage retiring during the year		
Age	Males	Females
55-59	5.0%	5.0%
60-61	10.0%	10.0%
62-64	15.0%	15.0%
65	100.0%	100.0%

Benefit commencement date:

- Preretirement death benefit The later of the death of the active participant or the date the participant would have been eligible for early retirement.
- Deferred vested benefit Age 65.
- Retirement benefit Upon termination of employment.

Form of payment Participants are assumed to elect the normal form.

Percent married 80% of participants are assumed to be married.

Spouse age Wife three years younger than husband.

Timing of benefit payments Annuity payments are payable monthly at the beginning of the month.

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809 / 002
Plan Sponsor: Dynamics Research Corporation
Valuation Date January 1, 2016

SCHEDULE SB ATTACHMENTS

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits as required by regulations under IRC §430.
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430.
Actuarial value of assets [for determining minimum required contributions]	<p>Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22) . The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the 2015 plan year).</p> <p>The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.</p>
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued. Towers Watson has reviewed the plan provisions with Engility and, based on that review, is not aware of any significant benefits required to be valued that were not.

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
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Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).

Source of Prescribed Methods

Funding methods	The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.
------------------------	--

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24 Change in Actuarial Assumptions

The amount included for plan-related expenses was changed from the prior year actual expenses to the expected PBGC premium for the year plus \$125,000 in additional administrative expenses for the year. This resulted in a plan-related expense change of \$75,710 for 2015 to \$805,184 for 2016.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Effective Date and Most Recent Amendment

The plan was originally effective January 1, 1980. On October 25, 2006, Dynamics Research Corporation's Board of Directors approved an amendment to the plan that removed the 3% annual benefit inflator and fully freezes benefit accruals as of December 31, 2006. The Plan was most recently restated effective January 1, 2014 and amended effective December 1, 2015.

Plan Year

The twelve-month period ending 12/31.

Coverage and Participation

Employees classified as staff and service employees will become participants on the first day of the month following the completion of one year of service and at least 1,000 hours. Participation in the plan was frozen as of June 30, 2002.

Normal or Late Retirement Benefit

Normal Retirement Date: A participant who retires from the Company after attaining the later of age 65.

Benefit Formula: The normal monthly retirement benefit of a participant payable in the normal form is the greatest of one-twelfth of (a), (b) and (c):

- (a) .6833 percent of average annual compensation plus .650 percent of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;
- (b) the benefit accrued as of December 31, 1987 under the former plans, and
- (c) \$60 multiplied by years of benefit service.

Benefits are fixed effective June 30, 2002. The accrued benefit calculated as of June 30, 2002 will be indexed at 3% per year beginning December 31, 2003 and ending December 31, 2006.

Commencement Date: Payments shall commence on the first day of the month following an employee's retirement from the Company or the date he applies for his benefit.

Normal Form of Benefit: The benefit is paid monthly for the life of the retired participant.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Early Retirement Benefit

Eligibility: Participants with 10 or more years of vesting service may retire any time after age 55.

Benefit: Same as normal retirement. If benefits commence prior to age 65, the accrued benefit shall be reduced by 5/9ths of 1.0% for each of the first 60 months and by 5/18ths of 1.0% for each month in excess of 60 that benefit commencement date precedes Normal Retirement Date.

Commencement Date: Payments shall commence on the first day of the month coincident with or next following the later of early retirement and application for benefits.

Form of Benefit: Same as normal retirement.

Vested Benefits Upon Termination of Service

Vesting: A Participant who terminates employment after completion of 5 or more years of vesting service is eligible for a vested deferred benefit

Termination Benefit: Same as normal retirement.

Commencement Date: The vested accrued benefit of terminated participant is payable as a monthly pension at age 65 or it may be payable as early as age 55 with the reduction for early retirement if the participant has 10 or more years of vesting service.

Form of Benefit: Same as normal retirement.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Death Benefits for Participants in Active Service

Eligibility: An active or terminated vested participant who has completed five or more years of vesting service and was married at death is covered by the pre-retirement death benefit.

Benefit: The amount of benefit payable to the surviving spouse is the actuarial equivalent of the benefit that the participant would have received if the participant had

(a) survived to the earliest retirement date,

(b) retired and elected to be paid in the form of a joint annuity with 100 percent to the surviving spouse, and

(c) died immediately thereafter

Commencement Date: The benefit will be payable as an annuity commencing on the first of the month following the participant's death.

Pension Increases

None.

Plan Participants' Contributions

No participant contributions are allowed or required.

Changes in Plan Provisions since Last Actuarial Valuation

The plan was amended during 2015 to allow certain vested terminated participants to elect to receive their plan benefit in the form of a lump sum payment.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Dynamics Research Corporation
EIN/PN	04-2211809 / 002
Plan Name	Dynamics Research Corporation Defined Benefit Pension Plan
Valuation Date	January 1, 2016
Enrolled Actuary	Katie Euston
Enrollment Number	17-07483

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Dynamics Research Corporation
EIN/PN	04-2211809 / 002
Plan Name	Dynamics Research Corporation Defined Benefit Pension Plan
Valuation Date	January 1, 2016
Enrolled Actuary	Katie Euston
Enrollment Number	17-07483

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2015

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

X	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	0.05	1,000,000	1.000000	0.050000	2.750000
56	0.05	950,000	0.950000	0.047500	2.660000
57	0.05	902,500	0.902500	0.045125	2.572125
58	0.05	857,375	0.857375	0.042869	2.486388
59	0.05	814,506	0.814506	0.040725	2.402793
60	0.10	773,781	0.773781	0.077378	4.642686
61	0.10	696,403	0.696403	0.069640	4.248057
62	0.15	626,763	0.626763	0.094014	5.828892
63	0.15	532,748	0.532748	0.079912	5.034470
64	0.15	452,836	0.452836	0.067925	4.347225
65	1.00	384,911	0.384911	0.384911	25.019186
Average age at retirement					61.991822
Rounded for Schedule SB item 22					62

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
 EIN / PN: 04-2211809 / 002
 Plan Sponsor: Dynamics Research Corporation
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Effective Date and Most Recent Amendment

The plan was originally effective January 1, 1980. On October 25, 2006, Dynamics Research Corporation's Board of Directors approved an amendment to the plan that removed the 3% annual benefit inflator and fully freezes benefit accruals as of December 31, 2006. The Plan was most recently restated effective January 1, 2014 and amended effective December 1, 2015.

Plan Year

The twelve-month period ending 12/31.

Coverage and Participation

Employees classified as staff and service employees will become participants on the first day of the month following the completion of one year of service and at least 1,000 hours. Participation in the plan was frozen as of June 30, 2002.

Normal or Late Retirement Benefit

Normal Retirement Date: A participant who retires from the Company after attaining the later of age 65.

Benefit Formula: The normal monthly retirement benefit of a participant payable in the normal form is the greatest of one-twelfth of (a), (b) and (c):

- (a) .6833 percent of average annual compensation plus .650 percent of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;
- (b) the benefit accrued as of December 31, 1987 under the former plans, and
- (c) \$60 multiplied by years of benefit service.

Benefits are fixed effective June 30, 2002. The accrued benefit calculated as of June 30, 2002 will be indexed at 3% per year beginning December 31, 2003 and ending December 31, 2006.

Commencement Date: Payments shall commence on the first day of the month following an employee's retirement from the Company or the date he applies for his benefit.

Normal Form of Benefit: The benefit is paid monthly for the life of the retired participant.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Early Retirement Benefit

Eligibility: Participants with 10 or more years of vesting service may retire any time after age 55.

Benefit: Same as normal retirement. If benefits commence prior to age 65, the accrued benefit shall be reduced by 5/9ths of 1.0% for each of the first 60 months and by 5/18ths of 1.0% for each month in excess of 60 that benefit commencement date precedes Normal Retirement Date.

Commencement Date: Payments shall commence on the first day of the month coincident with or next following the later of early retirement and application for benefits.

Form of Benefit: Same as normal retirement.

Vested Benefits Upon Termination of Service

Vesting: A Participant who terminates employment after completion of 5 or more years of vesting service is eligible for a vested deferred benefit

Termination Benefit: Same as normal retirement.

Commencement Date: The vested accrued benefit of terminated participant is payable as a monthly pension at age 65 or it may be payable as early as age 55 with the reduction for early retirement if the participant has 10 or more years of vesting service.

Form of Benefit: Same as normal retirement.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Death Benefits for Participants in Active Service

Eligibility: An active or terminated vested participant who has completed five or more years of vesting service and was married at death is covered by the pre-retirement death benefit.

Benefit: The amount of benefit payable to the surviving spouse is the actuarial equivalent of the benefit that the participant would have received if the participant had

(a) survived to the earliest retirement date,

(b) retired and elected to be paid in the form of a joint annuity with 100 percent to the surviving spouse, and

(c) died immediately thereafter

Commencement Date: The benefit will be payable as an annuity commencing on the first of the month following the participant's death.

Pension Increases

None.

Plan Participants' Contributions

No participant contributions are allowed or required.

Changes in Plan Provisions since Last Actuarial Valuation

The plan was amended during 2015 to allow certain vested terminated participants to elect to receive their plan benefit in the form of a lump sum payment.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016

**Schedule H, Line 4i Supplemental Schedule of Assets
(Held at End of Year)**

**Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002**

As of December 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
		<u>Cash:</u>			
		Noninterest-Bearing Cash	-	\$ 10,929	\$ 10,929
		<u>Mutual Funds:</u>			
	Vanguard Total Int'l Stock Index Fund ETF	Mutual Funds	169,225	\$ 7,574,613	\$ 7,764,043
	Vanguard Growth ETF	Mutual Funds	35,329	2,167,511	3,938,477
	Vanguard Value ETF	Mutual Funds	30,160	1,856,844	2,805,182
	Vanguard Mid-Cap ETF	Mutual Funds	14,820	976,471	1,950,757
	Vanguard Reit ETF	Mutual Funds	11,406	920,441	941,337
	Ishares Tr Russel 2000 Value Indx Fd	Mutual Funds	977	101,828	116,204
	Shell Midstream Partners LP	Mutual Funds	1,671	58,456	48,609
	Tallgrass Energy Partners LP	Mutual Funds	779	35,631	36,964
	Hope Bancorp Inc	Mutual Funds	1,188	19,520	26,005
		Subtotal: Mutual Funds		\$ 13,711,315	\$ 17,627,578
		<u>Corporate and Foreign Bonds:</u>			
	Phillips 66	Interest Rate 4.300% Per Annum, Expiry Date 04/01/22	350,000	\$ 364,315	\$ 375,801
	Fiserv Inc	Interest Rate 2.700% Per Annum, Expiry Date 06/01/20	350,000	350,627	351,690
	Cardinal Health	Interest Rate 1.950% Per Annum, Expiry Date 06/15/18	350,000	351,722	350,761
	Huntington Bancshares	Interest Rate 100.042% Per Annum, Expiry Date 01/14/20	350,000	349,965	339,460
	Capital One Financial Corp	Interest Rate 3.200% Per Annum, Expiry Date 02/05/25	350,000	340,890	339,232
	Energy Transfer Partners	Interest Rate 5.200% Per Annum, Expiry Date 02/01/22	300,000	317,400	321,221
	Health Care REIT	Interest Rate 4.125% Per Annum, Expiry Date 04/01/19	300,000	319,800	311,466
	Berkshire Hathaway	Interest Rate 2.900% Per Annum, Expiry Date 10/15/20	300,000	302,271	307,247

* (a) Represents a party-in-interest to the Plan.

**Schedule H, Line 4i Supplemental Schedule of Assets
(Held at End of Year) (Continued)**

**Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002**

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	US Bancorp	Interest Rate 1.950% Per Annum, Expiry Date 11/15/18	300,000	301,566	301,551
	Metlife Inc	Interest Rate 1.756% Per Annum, Expiry Date 12/15/17	300,000	303,840	300,500
	Abbvie Inc	Interest Rate 2.500% Per Annum, Expiry Date 05/14/20	300,000	299,208	300,078
	Keycorp	Interest Rate 5.100% Per Annum, Expiry Date 03/24/21	250,000	279,001	273,384
	Verizon	Interest Rate 4.500% Per Annum, Expiry Date 09/15/20	250,000	270,298	267,528
	CVS Caremark Corp	Interest Rate 4.125% Per Annum, Expiry Date 05/15/21	250,000	277,345	264,529
	Newwell Rubbermaid Inc	Interest Rate 3.850% Per Annum, Expiry Date 04/01/23	250,000	260,825	259,327
	General Mills Inc	Interest Rate 3.150% Per Annum, Expiry Date 12/15/21	250,000	254,070	255,358
	Comcast Corp	Interest Rate 3.125% Per Annum, Expiry Date 07/15/22	250,000	256,528	255,229
	Bank of America	Interest Rate 3.500% Per Annum, Expiry Date 04/19/26	250,000	247,473	246,668
	AT&T Inc.	Interest Rate 3.000% Per Annum, Expiry Date 06/30/22	250,000	248,188	245,403
	Conocophillips Company	Interest Rate 2.400% Per Annum, Expiry Date 12/15/22	250,000	233,338	241,730
	Iron Mountain Inc	Interest Rate 5.750% Per Annum, Expiry Date 08/15/24	220,000	220,525	226,050
	Suburban Propane Partners	Interest Rate 5.500% Per Annum, Expiry Date 06/01/24	220,000	223,575	222,750
	Equinix Inc	Interest Rate 5.375% Per Annum, Expiry Date 04/01/23	212,000	214,400	219,950
	AES Corp/Va	Interest Rate 5.500% Per Annum, Expiry Date 04/15/25	217,000	214,873	217,000
	Tenneco Inc	Interest Rate 5.375% Per Annum, Expiry Date 12/15/24	209,000	209,000	215,822
	Sabine Pass Liquefaction	Interest Rate 5.750% Per Annum, Expiry Date 05/15/24	200,000	203,250	214,500
	JP Morgan Chase & Co	Interest Rate 4.400% Per Annum, Expiry Date 07/22/20	200,000	223,162	212,443
	Huntsman Int'l LLC	Interest Rate 4.875% Per Annum, Expiry Date 11/15/20	205,000	206,181	212,431
	Pinnacle Foods Fin LLC	Interest Rate 5.875% Per Annum, Expiry Date 01/15/24	200,000	212,500	212,000
	Dow Chemical Co	Interest Rate 4.125% Per Annum, Expiry Date 11/15/21	200,000	210,283	211,326
	Oracle Corp	Interest Rate 5.750% Per Annum, Expiry Date 04/15/18	200,000	217,952	211,291
	Avis Budget	Interest Rate 5.500% Per Annum, Expiry Date 04/01/23	215,000	219,300	211,238
	Caterpillar Inc	Interest Rate 3.900% Per Annum, Expiry Date 05/27/21	200,000	219,316	210,908
	CCO HLDGS LLC/CAP Corp	Interest Rate 5.125% Per Annum, Expiry Date 02/15/23	204,000	199,050	209,610
	Simon Property Group	Interest Rate 3.375% Per Annum, Expiry Date 03/15/22	200,000	210,202	206,773
	Gen Elec Cap Crp Mtn	Interest Rate 5.625% Per Annum, Expiry Date 09/15/17	200,000	226,790	206,149

* (a) Represents a party-in-interest to the Plan.

**Schedule H, Line 4i Supplemental Schedule of Assets
(Held at End of Year) (Continued)**

**Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002**

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Cinemark USA Inc	Interest Rate 5.125% Per Annum, Expiry Date 12/15/22	200,000	200,500	206,000
	Amerigas Finance LLC/Corp	Interest Rate 5.875% Per Annum, Expiry Date 08/20/26	201,000	205,026	204,015
	Regal Entertainment	Interest Rate 5.750% Per Annum, Expiry Date 02/01/25	200,000	194,000	203,000
	American Express Credit	Interest Rate 2.125% Per Annum, Expiry Date 07/27/18	200,000	201,911	201,289
	Bank Of NY Mellon	Interest Rate 2.100% Per Annum, Expiry Date 01/15/19	200,000	198,774	200,884
	HCA Inc Sr Nt	Interest Rate 5.375% Per Annum, Expiry Date 02/01/25	200,000	207,000	200,500
	United Rentals North AM	Interest Rate 5.500% Per Annum, Expiry Date 07/15/25	195,000	199,144	198,900
	Corrections Corp of America	Interest Rate 5.000% Per Annum, Expiry Date 10/15/22	199,000	206,849	198,503
	Valero Energy Corp	Interest Rate 3.650% Per Annum, Expiry Date 03/15/25	200,000	192,666	198,362
	Royal Caribbean Cruises	Interest Rate 7.500% Per Annum, Expiry Date 10/15/27	168,000	199,699	198,240
	Calpine Corp	Interest Rate 5.750% Per Annum, Expiry Date 01/15/25	205,000	202,968	197,825
	Lamar Media Corp	Interest Rate 5.750% Per Annum, Expiry Date 02/01/26	185,000	200,615	194,713
	Level 3 Financing Inc.	Interest Rate 5.375% Per Annum, Expiry Date 05/01/25	190,000	189,923	193,800
	Graphic Packaging Int'l	Interest Rate 4.125% Per Annum, Expiry Date 08/15/24	200,000	200,594	191,000
	Chesapeake Midstream Partners	Interest Rate 6.125% Per Annum, Expiry Date 07/15/22	185,000	197,719	190,815
	Zayo Group L	Interest Rate 6.375% Per Annum, Expiry Date 05/15/25	180,000	188,978	188,100
	Penske Automotive Grp Inc	Interest Rate 5.375% Per Annum, Expiry Date 12/01/24	185,000	186,850	184,538
	Spectrum Brands	Interest Rate 5.750% Per Annum, Expiry Date 07/15/25	175,000	181,563	181,563
	B&G Foods Inc	Interest Rate 4.625% Per Annum, Expiry Date 06/01/21	175,000	173,406	178,500
	Davita Healthcare Partners	Interest Rate 5.000% Per Annum, Expiry Date 05/01/25	180,000	174,765	177,075
	Service Corp International	Interest Rate 7.500% Per Annum, Expiry Date 04/01/27	152,000	180,108	176,320
	Ingles Markets Inc	Interest Rate 5.750% Per Annum, Expiry Date 06/15/23	170,000	175,950	174,675
	Microsoft Corp	Interest Rate 1.100% Per Annum, Expiry Date 08/08/19	175,000	174,256	172,647
	T-Mobile USA Inc	Interest Rate 6.500% Per Annum, Expiry Date 01/15/24	160,000	172,800	171,600
	Aircastle LTD	Interest Rate 5.500% Per Annum, Expiry Date 02/15/22	160,000	152,138	169,600
	United Parcel	Interest Rate 5.500% Per Annum, Expiry Date 01/15/18	150,000	165,494	156,330
	Mediacom LLC/Captl Corp	Interest Rate 7.250% Per Annum, Expiry Date 02/15/22	132,000	138,694	135,960
	Burlington Northern Santa Fe	Interest Rate 3.850% Per Annum, Expiry Date 09/01/23	125,000	130,088	132,370

* (a) Represents a party-in-interest to the Plan.

Schedule H, Line 4i Supplemental Schedule of Assets
(Held at End of Year) (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Citizens Comm	Interest Rate 9.000% Per Annum, Expiry Date 08/15/31	135,000	145,969	115,088
	Healthsouth Corp	Interest Rate 5.750% Per Annum, Expiry Date 09/15/25	93,000	95,093	92,535
	Boston Properties LP	Interest Rate 2.750% Per Annum, Expiry Date 10/01/26	100,000	98,529	91,433
	QVC Inc.	Interest Rate 4.375% Per Annum, Expiry Date 03/15/23	90,000	89,325	89,325
	Frontier Communications	Interest Rate 11.000% Per Annum, Expiry Date 09/15/25	70,000	75,950	72,275
	Healthsouth Corp	Interest Rate 5.750% Per Annum, Expiry Date 11/01/24	70,000	70,863	70,875
	Continental Airlines	Interest Rate 6.250% Per Annum, Expiry Date 04/11/20	48,394	48,637	50,209
	Corrections Corp of America	Interest Rate 4.625% Per Annum, Expiry Date 05/01/23	8,000	8,190	7,880
	Aircastle LTD	Interest Rate 5.000% Per Annum, Expiry Date 04/01/23	6,000	6,180	6,120
		Subtotal: Corporate and Foreign Bonds		\$ 15,190,243	\$ 15,101,268
		<u>Partnerships:</u>			
	SkyBridge Multi-Advisor	Partnerships	4,337	\$ 4,860,907	\$ 4,899,636
		Subtotal: Partnerships		\$ 4,860,907	\$ 4,899,636
		<u>Hedge Funds:</u>			
	Millenium Fund	Hedge Funds	1,482	\$ 1,000,000	\$ 1,523,086
		Subtotal: Hedge Funds		\$ 1,000,000	\$ 1,523,086
		<u>Common Equity Securities:</u>			
	China Constr Bk Corp Unspns Adr	Corporate Stocks	14,532	\$ 211,958	\$ 223,796
	Enterprise Products Partners LP	Corporate Stocks	7,832	254,277	211,779
	Sberbank-Sponsor ADR	Corporate Stocks	16,848	155,003	191,267
	Taiwan Semiconductor Spons Adr	Corporate Stocks	6,644	140,339	191,015
	Netease Com Inc Spons Adr	Corporate Stocks	880	80,958	189,499

* (a) Represents a party-in-interest to the Plan.

**Schedule H, Line 4i Supplemental Schedule of Assets
(Held at End of Year) (Continued)**

**Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002**

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Energy Transfer Partners LP	Corporate Stocks	4,418	197,284	158,209
	Baidu Inc Spons Adr	Corporate Stocks	947	183,868	155,696
	PJSC Lukoil ADR	Corporate Stocks	2,502	119,328	141,364
	Astra International ADR (Indonesia)	Corporate Stocks	11,320	145,283	139,058
	China Mobile Limited Spons Adr	Corporate Stocks	2,642	141,499	138,520
	Perusahaan Perseroan Persero Adr	Corporate Stocks	4,551	102,253	132,707
	Banco Do Brasil Spons Adr	Corporate Stocks	15,306	184,816	132,100
	Pt Bank Mandiri Unspons Adr	Corporate Stocks	14,787	132,714	127,044
	Cielo SA-Sponsored ADR	Corporate Stocks	14,587	178,607	124,997
	Kb Financial Group Inc Spons Adr	Corporate Stocks	3,540	125,180	124,927
	Banco Macro Sa-Adr	Corporate Stocks	1,763	75,038	113,449
	Magellan Midstream Partners	Corporate Stocks	1,479	114,430	111,857
	YPF S.A. -Sponsored ADR	Corporate Stocks	6,559	195,713	108,224
	Shinhan Financial Group Adr	Corporate Stocks	2,852	129,340	107,349
	Localiza Rent A Car ADR	Corporate Stocks	10,168	170,787	106,906
	Mobile Telesystems-Sp Adr	Corporate Stocks	11,527	171,552	105,011
	Weichai Power Co ADR (China)	Corporate Stocks	8,461	110,352	104,241
	Clicks Group Ltd ADR (South Africa)	Corporate Stocks	6,022	77,584	101,724
	MPLX LP	Corporate Stocks	2,854	121,944	98,805
	Ambev SA ADR (Brazil)	Corporate Stocks	19,921	139,393	97,812
	Standard Bank Group ADR (South Africa)	Corporate Stocks	7,889	97,271	87,543
	Nedbank Group Ltd-Spons Adr	Corporate Stocks	4,853	93,509	84,508
	Koc Holding As Unspons Adr	Corporate Stocks	4,055	104,718	79,541
	Commercial Intl Bk Adr	Corporate Stocks	19,587	77,840	78,953
	Imperial Holdings Spons Adr	Corporate Stocks	5,783	96,643	77,152
	Prosperity Bancshares Inc	Corporate Stocks	1,025	46,677	73,575
	BB Seguridade Parti ADR (Brazil)	Corporate Stocks	8,243	120,253	70,700
	Bidvest Group LTD-SPONS ADR	Corporate Stocks	2,593	78,812	68,736
	EQT Midstream Partners LP	Corporate Stocks	864	68,687	66,252
	Plains All American Pipeline Lp	Corporate Stocks	2,028	78,207	65,484

* (a) Represents a party-in-interest to the Plan.

**Schedule H, Line 4i Supplemental Schedule of Assets
(Held at End of Year) (Continued)**

**Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002**

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Sanlam Ltd Spons Adr	Corporate Stocks	7,036	74,846	64,726
	Kimberly-Clark De Mexico S.A.B Adr	Corporate Stocks	7,007	92,356	63,483
	AAC Technologies H - Unspn ADR	Corporate Stocks	693	42,072	62,970
	Woolworths Holdings Ltd	Corporate Stocks	12,097	91,764	62,825
	America Movil S.A.B. De C.V. Adr	Corporate Stocks	4,889	77,522	61,455
	Williams Partners LP	Corporate Stocks	1,544	56,999	58,718
	Vodacom Group Ltd ADR (South Africa)	Corporate Stocks	5,179	60,981	57,717
	Gazprom Spon Adr	Corporate Stocks	11,068	85,744	56,044
	Akbank T.A.S-Adr	Corporate Stocks	12,380	96,900	55,044
	Oneok Partners LP	Corporate Stocks	1,279	56,319	55,010
	Kasikornbank PCL-Unspn ADR	Corporate Stocks	2,754	73,033	54,602
	Cnooc Ltd-Adr	Corporate Stocks	435	76,484	53,923
	Brown & Brown Inc	Corporate Stocks	1,170	38,395	52,486
	Shoprite Holdings Spn ADR	Corporate Stocks	4,154	64,835	52,084
	PLTD Inc	Corporate Stocks	1,858	124,760	51,188
	Life Healthcare ADR (South Africa)	Corporate Stocks	5,332	56,786	50,844
	Hillenbrand Inc	Corporate Stocks	1,315	36,472	50,430
	Renaissance Re Hldgs Ltd	Corporate Stocks	366	38,759	49,857
	China Shenhua-Unspn Adr	Corporate Stocks	6,603	72,715	49,736
	Turkcell Iletism Hizmetlerispon Adr	Corporate Stocks	7,077	101,195	48,831
	First Finl Bancorp	Corporate Stocks	1,677	31,187	47,711
	First American Financial Corporation	Corporate Stocks	1,298	47,240	47,546
	Semen Gesik ADR	Corporate Stocks	3,423	88,339	46,622
	Genesis Energy LP	Corporate Stocks	1,267	53,472	45,637
	Union Bankshares Corp	Corporate Stocks	1,270	30,467	45,390
	Kar Auction Services Inc	Corporate Stocks	1,061	21,935	45,220
	Envision Healthcare Corp	Corporate Stocks	709	46,065	44,873
	First Merchants Corporation	Corporate Stocks	1,185	30,594	44,615
	Silicon Laboratories Inc	Corporate Stocks	686	33,538	44,590
	VWR Corporation	Corporate Stocks	1,763	42,144	44,128

* (a) Represents a party-in-interest to the Plan.

**Schedule H, Line 4i Supplemental Schedule of Assets
(Held at End of Year) (Continued)**

**Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002**

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Aspen Insurance	Corporate Stocks	789	31,060	43,395
	Booz Allen Hamilton Holding	Corporate Stocks	1,181	32,680	42,599
	Caci Intl Inc CI A	Corporate Stocks	342	28,093	42,511
	Western Gas Partners LP	Corporate Stocks	700	33,026	41,132
	Firstcash Inc	Corporate Stocks	872	36,688	40,984
	Reliance Steel & Aluminum Co	Corporate Stocks	513	32,920	40,804
	Icf International Inc	Corporate Stocks	738	21,319	40,738
	Graphic Packaging Corp	Corporate Stocks	3,171	31,431	39,574
	Dun & Bradstreet Corp Del New	Corporate Stocks	293	30,720	35,547
	Laredo Petroleum Holdings Inc	Corporate Stocks	2,491	24,537	35,223
	Northwestern Corp	Corporate Stocks	608	33,387	34,577
	Wesco International Inc	Corporate Stocks	514	28,221	34,207
	Enlink Midstream Partners LP	Corporate Stocks	1,793	41,151	33,027
	Energy Transfer Equity	Corporate Stocks	1,709	27,995	33,001
	FS Investment Corp	Corporate Stocks	3,189	29,446	32,847
	Enbridge Energy Partners LP	Corporate Stocks	1,264	37,522	32,207
	Oasis Petroleum	Corporate Stocks	2,085	19,445	31,567
	Vectren Corp	Corporate Stocks	605	27,210	31,551
	Zebra Technologies Corp	Corporate Stocks	351	19,846	30,102
	Vista Outdoor Inc	Corporate Stocks	812	36,609	29,963
	Buckeye Partners LP	Corporate Stocks	446	31,447	29,507
	La-Z-Boy Inc	Corporate Stocks	949	24,836	29,466
	Group 1 Automotive Inc	Corporate Stocks	378	22,122	29,461
	Multi-Color Corp	Corporate Stocks	378	21,411	29,333
	Pacific Premier Bancorp Inc	Corporate Stocks	789	20,177	27,891
	TCP Capital Corp	Corporate Stocks	1,616	26,037	27,310
	Turk Telekomunika-Unspoon ADR	Corporate Stocks	9,012	33,388	27,054
	Multi Packaging Solutions Inc	Corporate Stocks	1,860	28,174	26,524

* (a) Represents a party-in-interest to the Plan.

**Schedule H, Line 4i Supplemental Schedule of Assets
(Held at End of Year) (Continued)**

**Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002**

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Genesee & Wyo Inc Class A	Corporate Stocks	359	23,104	24,918
	Old Natl Bancorp Ind	Corporate Stocks	1,334	17,390	24,212
	American Woodmark Corp	Corporate Stocks	318	23,354	23,930
	Madden Steven Ltd	Corporate Stocks	665	23,582	23,774
	Verint Sys Inc	Corporate Stocks	673	25,141	23,723
	Callon Petroleum Co	Corporate Stocks	1,488	22,046	22,871
	Sunoco Logistics Partners L.P.	Corporate Stocks	950	27,079	22,819
	Forum Energy Technologies	Corporate Stocks	1,032	19,143	22,704
	Franklin Electric Co Inc	Corporate Stocks	574	16,942	22,329
	Cotiviti Holdings Inc	Corporate Stocks	639	13,664	21,982
	Albany Molecular Research Inc	Corporate Stocks	1,146	18,704	21,499
	Silgan Hlds Inc	Corporate Stocks	415	16,383	21,240
	Lakeland Financial Corp	Corporate Stocks	445	12,997	21,072
	Atkore International Group Inc	Corporate Stocks	797	17,137	19,056
	PRA Health Sciences Inc	Corporate Stocks	345	11,908	19,016
	Spire Inc	Corporate Stocks	285	16,910	18,397
	Continental Building Products Inc	Corporate Stocks	790	16,032	18,249
	Amn Healthcare Svcs Inc	Corporate Stocks	471	17,949	18,110
	Littelfuse Inc	Corporate Stocks	118	11,003	17,909
	BroadSoft Inc	Corporate Stocks	417	12,741	17,201
	Virtusa Corp	Corporate Stocks	678	16,658	17,031
	Integrated Device Technology Inc	Corporate Stocks	800	17,493	16,492
	Lincoln Elec Hlds Inc	Corporate Stocks	214	12,155	16,407
	Kirby Corp	Corporate Stocks	235	14,784	15,628
	Phillips 66 Partners LP	Corporate Stocks	304	17,061	14,787
	Team Inc	Corporate Stocks	373	12,697	14,640
	Inc Research Holdings Ina -A	Corporate Stocks	269	13,910	14,149
	Integra Lifesciences Corp Com	Corporate Stocks	161	6,702	13,812

* (a) Represents a party-in-interest to the Plan.

Schedule H, Line 4i Supplemental Schedule of Assets
(Held at End of Year) (Continued)

Dynamics Research Corporation
Defined Benefit Pension Plan
EIN #04-2211809 / Plan #002

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) No. of Shares or Units	(e) Cost	(f) Current Value
	Thermon Group Holdings Inc	Corporate Stocks	680	14,139	12,981
	AdvanSix Inc	Corporate Stocks	549	8,721	12,155
	Antero Midstream Partners Lp	Corporate Stocks	389	11,716	12,012
	PPC Ltd- SPD ADR	Corporate Stocks	10,524	61,139	8,512
	Commercehub Inc	Corporate Stocks	542	8,193	8,135
	Webster Finl Corp Waterbury Conn	Corporate Stocks	148	3,801	8,033
	Surgery Partners Inc.	Corporate Stocks	497	8,475	7,877
	Global Brass & Copper Holdings	Corporate Stocks	183	5,314	6,277
	El Paso Elec Co	Corporate Stocks	123	5,220	5,720
		Subtotal: Common Equity Securities		\$ 7,778,320	\$ 7,339,866
		<u>Money Market Funds:</u>			
	Morgan Stanley	Morgan Stanley Bank Deposit	1,554,334	\$ 1,554,334	\$ 1,554,334
	Northern	Northern Instl Gov't Select	99,164	99,164	99,164
		Subtotal: Money Market Funds		\$ 1,653,498	\$ 1,653,498
		<u>Real Estate Investment Trusts:</u>			
	Hersha Hospitality Trust	Real Estate Investment Trusts	1,072	\$ 23,086	\$ 23,048
	Ramco-Gershenson Properties	Real Estate Investment Trusts	1,183	22,529	19,614
		Subtotal: Real Estate Investment Trusts		\$ 45,615	\$ 42,662
	Total:			\$ 44,250,827	\$ 48,198,523

* (a) Represents a party-in-interest to the Plan.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1, 2015

Type of Base		Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1	Shortfall	01/01/2016	6,649,385	7	6,649,385	1,098,634
Total					6,649,385	1,098,634

Plan Name: Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN: 04-2211809 / 002
Plan Sponsor: Dynamics Research Corporation
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24 Change in Actuarial Assumptions

The amount included for plan-related expenses was changed from the prior year actual expenses to the expected PBGC premium for the year plus \$125,000 in additional administrative expenses for the year. This resulted in a plan-related expense change of \$75,710 for 2015 to \$805,184 for 2016.

Plan Name:	Dynamics Research Corporation Defined Benefit Pension Plan
EIN / PN:	04-2211809 / 002
Plan Sponsor:	Dynamics Research Corporation
Valuation Date	January 1, 2016