

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2018</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</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>SMR TECHNOLOGIES, INC. DEFINED BENEFIT PENSION PLAN FOR UNION EMPLOYEES</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>01/01/1989</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>002</u>	1c Effective date of plan <u>01/01/1989</u>	
1b Three-digit plan number (PN) ▶	<u>002</u>				
1c Effective date of plan <u>01/01/1989</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>B/E AEROSPACE, INC. DBA SMR TECHNOLOGIES, INC.</u> <u>4 FARM SPRINGS ROAD</u> <u>FARMINGTON, CT 06032</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>06-1209796</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>860-728-7000</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>326200</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>06-1209796</u>	2c Plan Sponsor's telephone number <u>860-728-7000</u>	2d Business code (see instructions) <u>326200</u>	
2b Employer Identification Number (EIN) <u>06-1209796</u>					
2c Plan Sponsor's telephone number <u>860-728-7000</u>					
2d Business code (see instructions) <u>326200</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.	10/15/2019	ROSA BARONE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2019	ROSA BARONE
	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

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

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 167
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 60 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 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:

1B 1I 3F 3H

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

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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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 2018 Form M-1 annual report. If the plan was not required to file the 2018 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>2018</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018	
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 SMR TECHNOLOGIES, INC. DEFINED BENEFIT PENSION PLAN FOR UNION EMPLOYEES	B Three-digit plan number (PN) 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF B/E AEROSPACE, INC. DBA SMR TECHNOLOGIES, INC.	D Employer Identification Number (EIN) 06-1209796
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 2018			
2	Assets:			
a	Market value	2a	5194854	
b	Actuarial value	2b	5194854	
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	86	2786792	2786792
b	For terminated vested participants	21	242468	242468
c	For active participants	60	1263214	1357988
d	Total	167	4292474	4387248
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	5.69%	
6	Target normal cost	6	0	

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		
Signature of actuary	07/30/2019	Date
STEVEN J VERGULDI	17-07161	Most recent enrollment number
Willis Towers Watson US LLC	703-258-8036	Telephone number (including area code)
800 NORTH GLEBE ROAD FLOOR 10 ARLINGTON, VA 22203		
Firm name		
Address of the firm		

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	6417
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	6417
10 Interest on line 9 using prior year's actual return of <u>11.07</u> %	0	710
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		1264020
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>5.89</u> %		74451
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		1338471
d Portion of (c) to be added to prefunding balance		800000
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	807127

Part III Funding Percentages

14 Funding target attainment percentage	14	100.01%
15 Adjusted funding target attainment percentage	15	118.40%
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	83.82%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/11/2018	37309	0			
Totals ▶			18(b)	37309	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	36740

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

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

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

21 Discount rate:				
a Segment rates:	1st segment: 3.92%	2nd segment: 5.52%	3rd segment: 6.29%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 2
22 Weighted average retirement age				22 64
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute
	Current regulation:	☐ 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	0	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	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	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	36740	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	36740	
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

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan SMR TECHNOLOGIES, INC. DEFINED BENEFIT PENSION PLAN FOR UNION EMPLOYEES	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 B/E AEROSPACE, INC. DBA SMR TECHNOLOGIES, INC.	D Employer Identification Number (EIN) 06-1209796	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

BFSG, LLC

20-8532658

(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?
27 51	NONE	10210	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 ☐

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018		
A Name of plan SMR TECHNOLOGIES, INC. DEFINED BENEFIT PENSION PLAN FOR UNION EMPLOYEES	B Three-digit plan number (PN) ►	002
C Plan sponsor's name as shown on line 2a of Form 5500 B/E AEROSPACE, INC. DBA SMR TECHNOLOGIES, INC.	D Employer Identification Number (EIN) 06-1209796	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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 Total noninterest-bearing cash	1a		76374	0
b Receivables (less allowance for doubtful accounts):				
(1) Employer contributions	1b(1)		1426234	0
(2) Participant contributions	1b(2)			
(3) Other	1b(3)			
c General investments:				
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		110947	0
(2) U.S. Government securities	1c(2)			
(3) Corporate debt instruments (other than employer securities):				
(A) Preferred	1c(3)(A)			
(B) All other	1c(3)(B)			
(4) Corporate stocks (other than employer securities):				
(A) Preferred	1c(4)(A)			
(B) Common	1c(4)(B)			
(5) Partnership/joint venture interests	1c(5)			
(6) Real estate (other than employer real property)	1c(6)			
(7) Loans (other than to participants)	1c(7)			
(8) Participant loans	1c(8)			
(9) Value of interest in common/collective trusts	1c(9)			
(10) Value of interest in pooled separate accounts	1c(10)			
(11) Value of interest in master trust investment accounts	1c(11)			
(12) Value of interest in 103-12 investment entities	1c(12)			
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		3624586	0
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)			
(15) Other	1c(15)			

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(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	5238141 0
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	1374 0
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	1374 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	5236767 0

Part II Income and Expense Statement

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

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	38715
	(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)	38715
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	0
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	103376
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	103376
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(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)		-262288
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-120197

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	279099	
(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)		279099
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	10210	
(4) Other	2i(4)	15295	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		25505
j Total expenses. Add all expense amounts in column (b) and enter total	2j		304604

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-424801
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		4811966

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: GRANT THORNTON LLP

(2) EIN: 36-6055558

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		25000000
4e	X		25000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
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?		X	
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.)		X	
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.)	X		
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?	X		
4k	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

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)
UNITED TECHNOLOGIES CORPORATION LEGACY RETIREMENT PLAN	06-0570975	040

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 4164035. (See instructions.)

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 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

A Name of plan <u>SMR TECHNOLOGIES, INC. DEFINED BENEFIT PENSION PLAN FOR UNION EMPLOYEES</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>B/E AEROSPACE, INC. DBA SMR TECHNOLOGIES, INC.</u>	D Employer Identification Number (EIN) <u>06-1209796</u>

Part I	Distributions
---------------	----------------------

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>42-1558009</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>0</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.)
----------------	---

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

Part III	Amendments
-----------------	-------------------

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

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

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

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

Schedule R (Form 5500) 2018
v. 171027

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

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****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

b The corresponding number for the second preceding plan year

15a**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

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

16a**16b**

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

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

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

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

- a** Enter the percentage of plan assets held as:

Stock: _____ % Investment-Grade Debt: _____ % High-Yield Debt: _____ % Real Estate: _____ % Other: _____ %

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Financial Statements and Report of
Independent Certified Public
Accountants

**SMR Technologies, Inc. Defined Benefit
Pension Plan for Union Employees**

December 31, 2018 and 2017

Employer ID No: 06-1209796

Plan Number: 002

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GRANT THORNTON LLP

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Trustees
SMR Technologies Pension Plan

Report on the financial statements

We were engaged to audit the accompanying financial statements of SMR Technologies Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2018 and 2017, and the related statements of changes in net assets available for benefits for the years ended December 31, 2018 and 2017, and the related notes to the financial statements.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit 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 certified information described in Note 3, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the certifying entity meets the requirements of 29 CFR 2520.103-8. The Plan administrator obtained certifications from this entity as of December 31, 2018 and 2017, and for the years ended December 31, 2018 and 2017, stating that the certified information provided to the Plan administrator 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.

Supplementary information

The supplemental schedule of reportable transactions for the year ended December 31, 2018 is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule.

Report on form and content in compliance with DOL rules and regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the certified information described in Note 3, 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.



Charlotte, North Carolina
October 11, 2019

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,

	2018	2017
Assets		
Cash	\$ -	\$ 76,374
Investments, at fair value	-	3,735,533
Company contributions receivable	-	1,426,234
	-	-
Total assets	-	5,238,141
Liabilities		
Other	-	1,374
	-	-
Total liabilities	-	1,374
NET ASSETS AVAILABLE FOR BENEFITS	\$ -	\$ 5,236,767

The accompanying notes are an integral part of these statements.

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

For the years ended December 31,

	2018	2017
Additions		
Employer contributions	\$ 38,715	\$ 1,534,312
Investment income (loss)		
Net appreciation (depreciation) in fair value of investments	(262,288)	318,878
Interest and dividend income	103,376	75,244
	<u>(158,912)</u>	<u>394,122</u>
Net investment income (loss)		
Deductions		
Benefits paid to participants	279,099	255,216
Administrative expenses	25,505	9,046
	<u>304,604</u>	<u>264,262</u>
Total deductions		
INCREASE (DECREASE) IN NET ASSETS BEFORE TRANSFER	(424,801)	1,664,172
Transfer to United Technologies Corporation Legacy Plan	(4,811,966)	-
INCREASE (DECREASE) IN NET ASSETS AFTER TRANSFER	(5,236,767)	1,664,172
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	5,236,767	3,572,595
	<u>5,236,767</u>	<u>3,572,595</u>
End of year	\$ -	\$ 5,236,767
	<u>\$ -</u>	<u>\$ 5,236,767</u>

The accompanying notes are an integral part of these statements.

**SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees**

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

NOTE 1 - DESCRIPTION OF THE PLAN

This brief description of the SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General - The Plan is a defined benefit pension plan covering full-time hourly employees of SMR Technologies, Inc. ("SMR") who are members of the Local Union No. 874, United Steel Workers of America, pursuant to the Collective Bargaining Agreement between the Plan sponsor and Local Union No. 874 effective June 5, 1997. Effective September 1, 2016, Charles Schwab Bank (the "Trustee") serves as the trustee of the Plan, and together with several investment managers, manages the Plan's investments. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

Effective January 31, 2015, SMR amended the Plan to cease benefit accruals and freeze participation. Any employee who was not a participant in the Plan on January 31, 2015 is not eligible to participate in the Plan.

On April 13, 2017, the acquisition of SMR by Rockwell Collins, Inc. ("Rockwell Collins") was consummated and as a result, B/E Aerospace became a wholly owned subsidiary of Rockwell Collins.

On November 26, 2018, Rockwell Collins was acquired by United Technologies Corporation ("UTC") and Plan sponsorship transferred to UTC. Effective December 31, 2018, the Plan merged into the United Technologies Corporation Legacy Plan. The transaction is reported in the statement of changes in net assets available for benefits for the year ended December 31, 2018 as a transfer out, in the amount of \$4,811,966.

Pension Benefits

At normal retirement age of 65, a participant with five or more years of credited service, or currently employed at age 65, is entitled to a monthly pension benefit equal to a specified factor multiplied by the participant's years of benefit service. Years of benefit service start with the later of the participant's date of hire or January 1, 1989.

The Plan allows a participant with 10 or more years of credited service to elect early retirement at any time between ages 55 to 64.

Participants with five or more years of credited service who become disabled receive a monthly pension of the applicable benefit rate multiplied by the years of benefit service.

Retirement benefits are normally payable in the form of a single-life annuity with a five-year term certain for an unmarried participant and a reduced qualified joint and survivor annuity for a married participant.

A nonspouse beneficiary may elect to rollover an eligible distribution into an individual retirement account or annuity under the Internal Revenue Code section 408(a) and 408(b), respectively.

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2018 and 2017

Death Benefits

Participants with a surviving spouse may be eligible for a Qualified Preretirement Survivor Annuity. Unless an optional form of benefit was selected, if the participant dies after the earliest retirement age of 55, the spouse would receive the same benefit as if the participant retired the day prior to death. If the participant dies on or before age 55, the spouse will receive the same benefit as if the participant had:

- a. Separated from service on the earlier of the actual time of separation or the date of death,
- b. Survived to the earliest retirement age,
- c. Retired with an immediate joint and survivor annuity at the earliest retirement age, and died on the day after age 55.

The spouse can elect to receive payment the month after the deceased would have reached age 55. If no such election was made, payments will commence at the time the deceased would have reached the later of the normal retirement age, age 62, or later, if the spouse elects. However, distributions must begin before the later of:

- a. December 31 of the calendar year immediately following the calendar year of death, or
- b. December 31 of the calendar year in which the deceased would have reached age 70 1/2.

For unmarried participants who die following retirement, the benefit would be payable to the designated beneficiary in accordance with the same provisions as described above, except that the requirement that distributions commence within one calendar year of death does not apply.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

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

Risks and Uncertainties

The Plan invests in various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate, credit risk and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2018 and 2017

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Investment Valuation and Income Recognition

Investments are stated at fair value. Fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 6 for description of valuation methods.

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 or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Management fees and operating expenses charged to the Plan for investments are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Administrative Expenses

Administrative expenses of the Plan are paid either by the Plan or by the Plan sponsor as provided in the Plan document.

NOTE 3 - INFORMATION CERTIFIED BY THE TRUSTEE

The Plan sponsor has elected a limited scope audit as permitted by 29 CFR 2520.108-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, information regarding the Plan investments at fair value and net investment income (loss) as of and for the years ended December 31, 2018 and 2017, included in the Plan's financial statements and supplemental schedule, was prepared by or derived from information prepared by Charles Schwab Bank, the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certification from the trustee that such information is complete and accurate.

The Plan's independent accountants did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule.

NOTE 4 - FUNDING POLICY

Contributions to provide benefits under the Plan are made solely by the Plan sponsor. The Plan sponsor's funding policy is to make cash contributions to the Plan in amounts as determined by the Plan's independent actuary. The Plan sponsor met the minimum funding requirements of ERISA for the years ended December 31, 2018 and 2017.

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2018 and 2017

NOTE 5 - ACCUMULATED PLAN 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 as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of employees who have died, and (3) present employees or their beneficiaries. The actuarial present value of accumulated plan benefits is determined by an independent actuary. The amount 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 effect of Plan amendments on accumulated plan benefits is recognized during the year in which such amendments are adopted. During 2018 and 2017, there were no amendments to the Plan which resulted in a change in actuarial assumptions.

The actuarial present value of accumulated plan benefits as of December 31, 2018 and 2017, is as follows:

	<u>2018</u>	<u>2017</u>
Vested benefits:		
Participants currently receiving payments	\$ -	\$ 2,567,412
Other participants	<u>-</u>	<u>1,331,890</u>
Total vested benefits	-	3,899,302
Nonvested benefits	<u>-</u>	<u>80,340</u>
Total actuarial present value of accumulated benefits	<u>\$ -</u>	<u>\$ 3,979,642</u>

The changes in the actuarial present value of the Plan's accumulated plan benefits for the years ended December 31, 2018 and 2017, are as follows:

	<u>2018</u>	<u>2017</u>
Actuarial present value of accumulated benefits - beginning of year	\$ 3,979,642	\$ 3,849,121
Increase (decrease) during year attributable to:		
Change in Plan assumptions	(67,989)	35,483
Actuarial losses	15,880	90,065
Benefits paid	(279,099)	(255,216)
Interest due to the decrease in discount period	265,767	260,189
Transfer to United Technologies Corporation Legacy Plan	<u>(3,914,201)</u>	<u>-</u>
Net increase (decrease)	<u>(3,979,642)</u>	<u>130,521</u>
Actuarial present value of accumulated benefits - end of year	<u>\$ -</u>	<u>\$ 3,979,642</u>

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2018 and 2017

The significant actuarial assumptions used in the valuations are as follows: The 2018 and 2017 discount rate was 7% compounded annually for both years. The mortality for 2018 was based on the RP-2014 table without collar adjustments and an adjusted MP-2018 mortality scale, updated from the mortality for 2017, which was based on the RP-2014 table without collar adjustments and an adjusted MP-2016 mortality scale. The 2018 and 2017 weighted average retirement age was 64 for both years.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that certain changes in these estimates and assumptions could be material to the financial statements.

NOTE 6 - FAIR VALUE MEASUREMENTS

Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 - quoted prices in active markets for identical assets and liabilities

Level 2 - quoted prices for identical assets and liabilities in markets that are not active, or observable inputs other than quoted prices in active markets for identical assets and liabilities

Level 3 - unobservable inputs in which there is little or no market data available, which require the reporting entity to develop its own assumptions

Asset Valuation Techniques

Valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2018 and 2017.

Mutual Funds

Equity and bond funds are valued at the net asset value of shares held by the Plan at year-end. The net asset value is a quoted price in an active market.

Cash Equivalents

Cash equivalents are valued at cost, which approximates fair value.

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2018 and 2017

As a result of the merger discussed in Note 1, there were no assets at December 31, 2018. The following table sets forth, by level within the fair value hierarchy, the Plan's assets that are measured at fair value as of December 31, 2017:

	December 31, 2017			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 3,624,586	\$ -	\$ -	\$ 3,624,586
Cash equivalents	110,947	-	-	110,947
Total investments measured at fair value	<u>\$ 3,735,533</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,735,533</u>

NOTE 7 - EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by Charles Schwab Bank, the Trustee of the Plan and, therefore, these transactions qualify as exempt party-in-interest transactions.

NOTE 8 - TAX STATUS

The Internal Revenue Service has determined and informed the Plan administrator by a letter dated October 11, 2017, that the Plan and related trust were designed in accordance with the applicable regulations of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. Plan management believes that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC, and the Plan and the related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

U.S. GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more-likely-than-not would not be sustained upon examination by the U.S. federal, state, or local tax authorities. Plan management has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2018, there are no uncertain tax positions taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions and, currently there are no examinations in progress.

NOTE 9 - DEPARTMENT OF LABOR EXAMINATION

Currently the Department of Labor is conducting an examination of the Plan. The years under examination are 2016 through 2018. The Plan is complying with all the Department of Labor requests and awaits the resolution of the examination.

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

December 31, 2018 and 2017

NOTE 10 - PLAN TERMINATION

Prior to the Plan's merger (see Note 1), the Plan sponsor had the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan had terminated, the net assets of the Plan would have been allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

NOTE 11 - SUBSEQUENT EVENTS

Management has evaluated all subsequent events and transactions through October 11, 2019, the date the financial statements were available to be issued.

SUPPLEMENTAL SCHEDULE

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

FORM 5500, SCHEDULE H, PART IV, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

For the year ended December 31, 2018

EMPLOYER ID NO: 06-1209796
PLAN NUMBER: 002

Category (i) Single Transactions in Excess of 5% of Plan Assets

Identity of Party	Description of Asset	No. of Transactions	Purchase Price	Selling Price	Cost of Asset	Net Gain or (Loss)
Vanguard	Vanguard Total Bond Market Index Fund Admiral Shares	1	\$ 584,772	\$ -	\$ 584,772	\$ -

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

FORM 5500, SCHEDULE H, PART IV, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

For the year ended December 31, 2018

EMPLOYER ID NO: 06-1209796

PLAN NUMBER: 002

Category (iii) Series of Transactions in Excess of 5% of Plan Assets

Identity of Party	Description of Asset	No. of Transactions	Purchase Price	Selling Price	Cost of Asset	Net Gain or (Loss)
Vanguard	Vanguard Total Bond Market Index Fund Admiral Shares	1	\$ -	\$ 60,564	\$ 63,724	\$ (3,160)
Vanguard	Vanguard Total Bond Market Index Fund Admiral Shares	15	638,140	-	638,140	-

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 - Schedule of Active Participant Data as of January 1, 2018

Number distributed by attained age and attained years of credited service

Attained Age	<u>Attained Years of Credited Service¹</u>													Total
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	0	2	0	0	0	0	0	0	0	0	0	0	0	2
25-29	0	1	0	0	1	0	0	0	0	0	0	0	0	2
30-34	0	2	0	0	0	0	1	0	0	0	0	0	0	3
35-39	0	0	1	1	0	0	2	0	0	0	0	0	0	4
40-44	0	0	1	0	1	2	2	3	0	0	0	0	0	9
45-49	0	1	0	0	0	1	6	0	0	0	0	0	0	8
50-54	0	3	0	1	0	0	1	1	0	1	0	0	0	7
55-59	1	1	0	0	0	0	5	0	1	5	0	0	0	13
60-64	0	0	0	0	0	1	3	2	0	4	0	0	0	10
65-69	0	0	0	0	0	0	0	0	0	2	0	0	0	2
70 & over	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Census data as of January 1, 2018

¹ Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees

EIN / PN: 06-1209796 / 002

Plan Sponsor: B/E Aerospace, Inc.

Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

▪ Applicable month	November
▪ Interest rate basis	3-Segment Rates

Interest rates:

	Reflecting Corridors	Not Reflecting Corridors
▪ First segment rate:	3.92%	1.77%
▪ Second segment rate:	5.52%	3.73%
▪ Third segment rate:	6.29%	4.60%
▪ Effective interest rate	5.69%	

Annual rates of increase

▪ Compensation:	N/A
▪ Future Social Security wage bases	N/A
▪ Statutory limits on compensation	N/A

Administrative expenses

No expected administration expense to be paid from plan assets.

Plan Name:	SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN:	06-1209796 / 002
Plan Sponsor:	B/E Aerospace, Inc.
Valuation Date:	January 1, 2018

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

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

Mortality (ERISA)

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

The valuation does not reflect the updated mortality tables provided in final regulations under IRC §430 issued in October 2017. These tables will first be reflected in the 2019 valuation, and will increase required contributions and the funding shortfall.

Termination

Representative Termination Rates

Percentage leaving during the year		
	<u>Males</u>	<u>Females</u>
<u>Attained Age</u>		
25	0.0527	0.0527
30	0.0483	0.0483
35	0.0447	0.0447
40	0.0384	0.0384
45	0.0321	0.0321
50	0.0152	0.0152
55	0.0033	0.0033
60	0.0000	0.0000

Disability The 1974-78 Society of Actuaries Study on Long Term Disability

Retirement Rates varying by age.

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

Percentage retiring during the year	
<u>Age</u>	<u>Rate</u>
62	0.25
63	0.10
64	0.10
65+	1.00

Plan Name: SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
 EIN / PN: 06-1209796 / 002
 Plan Sponsor: B/E Aerospace, Inc.
 Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Benefit commencement date:

- Preretirement death benefit The later of the death of the active participant or the date the participant would have attained earliest retirement age
- Deferred vested benefit Payable at age 65
- Disability benefit Upon disablement
- Retirement benefit Upon termination of employment

Percent married We assume 80% of males and 80% of females are married.

Form of Payment Active employees upon retirement:

We assume that all participants receive their benefits as a 5-Year Certain and Life Annuity.

Terminated vested employees upon commencement of benefits:

We assume that all participants receive their benefits as a 5-Year Certain and Life Annuity.

Spouse age Wife three years younger than husband.

At-risk assumptions For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect the most valuable form of benefit under the plan.

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

Plan Name: SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN: 06-1209796 / 002
Plan Sponsor: B/E Aerospace, Inc.
Valuation Date: January 1, 2018

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]	The actuarial value of assets is equal to the market value of assets as of the valuation date plus the discounted present value of contributions made after the valuation date for the 2017 plan year, discounted using the effective interest rate for the 2017 plan year.
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued. Willis Towers Watson has reviewed the plan provisions with Rockwell Collins 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.
Administrative Expenses	No administrative expenses are assumed to be paid from the plan assets.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality (ERISA)	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality (ERISA)	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination, Disability, and Retirement	Rates were maintained from the prior actuary.
Benefit commencement date for deferred preretirement death benefit	Surviving spouses are assumed to begin benefits at the earliest permitted commencement date because ERISA requires benefits to start then unless the spouse elects to defer.
Form of payment	All participants are assumed to elect to receive their benefits under the plan's standard form.

Plan Name:	SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN:	06-1209796 / 002
Plan Sponsor:	B/E Aerospace, Inc.
Valuation Date:	January 1, 2018

SCHEDULE SB ATTACHMENTS

Percent married

The assumed percentage married was maintained from the prior actuary.

Spouse age

The assumed age difference for spouses was maintained from the prior actuary.

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.

Source of Participant Data

Participant Data

Participant data was supplied by Rockwell Collins as of the census date.

Data and other information were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the plan sponsor, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date

Changes in Assumptions and Methods

Change in assumptions since prior valuation

The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC 430.

The mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvement, as permitted by IRC 430. Additionally mortality was changed from the combined annuitant and non-annuitant tables to separate mortality for annuitant and non-annuitant.

Plan Name: SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN: 06-1209796 / 002
Plan Sponsor: B/E Aerospace, Inc.
Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Change in methods since prior valuation

A change in funding method occurred due a change in the enrolled actuary, the business organization providing actuarial services to the plan and the valuation software used to produce the January 1, 2018 plan year actuarial information. The valuation methods used after this change are substantially the same as the methods used by the prior enrolled actuary and are consistent with the description of the method contained in the prior actuarial report and Schedule SB. The percentage change in funding target and target normal cost due to the method change were less than 3% and the percentage change in asset value due to the method change was less than 1% of the values determined by the prior enrolled actuary for the prior plan year. Therefore, these changes in funding method received automatic IRS approval based on the criteria set forth in Revenue Procedure 2017-56.

Plan Name: SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN: 06-1209796 / 002
Plan Sponsor: B/E Aerospace, Inc.
Valuation Date: January 1, 2018

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

FORM 5500, SCHEDULE H, PART IV, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

For the year ended December 31, 2018

EMPLOYER ID NO: 06-1209796
PLAN NUMBER: 002

Category (i) Single Transactions in Excess of 5% of Plan Assets

Identity of Party	Description of Asset	No. of Transactions	Purchase Price	Selling Price	Cost of Asset	Net Gain or (Loss)
Vanguard	Vanguard Total Bond Market Index Fund Admiral Shares	1	\$ 584,772	\$ -	\$ 584,772	\$ -

SMR Technologies, Inc.
Defined Benefit Pension Plan for Union Employees

FORM 5500, SCHEDULE H, PART IV, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS

For the year ended December 31, 2018

EMPLOYER ID NO: 06-1209796

PLAN NUMBER: 002

Category (iii) Series of Transactions in Excess of 5% of Plan Assets

Identity of Party	Description of Asset	No. of Transactions	Purchase Price	Selling Price	Cost of Asset	Net Gain or (Loss)
Vanguard	Vanguard Total Bond Market Index Fund Admiral Shares	1	\$ -	\$ 60,564	\$ 63,724	\$ (3,160)
Vanguard	Vanguard Total Bond Market Index Fund Admiral Shares	15	638,140	-	638,140	-

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue Service
Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**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

2018**This Form is Open to Public
Inspection**For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018▶ **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 SMR TECHNOLOGIES, INC. DEFINED BENEFIT PENSION PLAN FOR UNION EMPLOYEES		B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF B/E AEROSPACE, INC.		D Employer Identification Number (EIN) 06-1209796	
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>2018</u>			
2 Assets:			
a Market value.....		2a	5,194,854
b Actuarial value.....		2b	5,194,854
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.....	86	2,786,792	2,786,792
b For terminated vested participants.....	21	242,468	242,468
c For active participants.....	60	1,263,214	1,357,988
d Total.....	167	4,292,474	4,387,248
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	5.69%	
6 Target normal cost.....	6	0	

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		<u>7/30/19</u>
Steven J Verguldi		Date
Type or print name of actuary		1707161
Willis Towers Watson US LLC		Most recent enrollment number
Firm name		703-258-8036
800 North Glebe Road		Telephone number (including area code)
Floor 10		
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) 2018
v. 171027**

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

21 Discount rate:				
a Segment rates:				
1st segment: 3.92 %	2nd segment: 5.52 %	3rd segment: 6.29 %	☐ N/A, full yield curve used	
b Applicable month (enter code).....			21b	2
22 Weighted average retirement age			22	64
23 Mortality table(s) (see instructions) Prior regulation: ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				
Current regulation: ☐ 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	0
b Excess assets, if applicable, but not greater than line 31a		31b	0
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34	0
	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		0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37		36,740
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	36,740
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

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 19
Discounted Employer Contributions
as of January 1, 2018

Date	Applicable Plan Year	Contribution	Applicable Effective Rate	Interest Adjusted Contribution
04/11/2018	2018	37,309	5.69%	36,740
Total		0		36,740

Plan Name: SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN: 06-1209796 / 002
Plan Sponsor: B/E Aerospace, Inc.
Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2018

	<u>Active Participant Counts at 1/1/2018</u>	<u>Weighted Average Retirement Age</u>
TOTAL	60	64.16

Weighted Average Retirement Age is determined using the actual active population and the Plan's retirement decrement assumptions.

Plan Name:	SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN:	06-1209796 / 002
Plan Sponsor:	B/E Aerospace, Inc.
Valuation Date:	January 1, 2018

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	B/E Aerospace, Inc.
EIN/PN	06-1209796/002
Plan Name	SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
Valuation Date	January 1, 2018
Enrolled Actuary	Steven Verguldi
Enrollment Number	17-07161

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, Part V Summary of Plan Provisions

SMR Technologies, Inc.

Defined Benefit Pension Plan for Union Employees

Effective Date: January 1, 1989

Most Recent Plan Restatement and Amendment: Benefit accruals and entry into the plan was frozen effective January 31, 2015. The plan was restated January 1, 2016.

Covered Employees: All employees of the company who are covered by the Collective Bargaining Agreement with Local 874, URW.
Effective January 31, 2015 all participation into the plan is frozen.

Benefit Service: Benefit Service: Aggregate periods of employment after January 1, 1989, with 1/12 of a year credited for each month.
Effective January 31, 2015 all service accruals are frozen.

Vesting Service: Accrual of Vesting: Service is accrued based on elapsed periods of employment (including service prior to 1989 with B.F. Goodrich). Employees laid off between May 1, 2001 and August 31, 2002 are fully vested regardless of service

Retirement Dates: Normal: First day of the month coincident with or next following participant's 65th birthday or completion of 5 years of service if later.
Early: Age 55 and 10 years of vesting service.
Disability: Completed at least 5 years of vesting service and is deemed to be totally disabled so as to prevent the ability to meet the requirements of any job in the plant. Such disability must continue for at least 5 months and be presumed by a qualified physician to be permanent and continuous for the remainder of the employee's life
Deferred Vested: Completed at least 5 years of credited service for accrual of vesting (Employees laid off between May 1, 2001 and August 31, 2002 are fully vested).

Plan Name: SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN: 06-1209796 / 002
Plan Sponsor: B/E Aerospace, Inc.
Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Monthly Pension Benefits:	The monthly normal retirement pension as provided in the valuation data Effective January 31, 2015 all accrued benefits are frozen.
Deferred Vested Benefit:	The accrued benefit payable at age 65, or as early as age 55 on an actuarially reduced basis from age 65 based on the UP1984 table, age set back of 2 years, with interest at 7%.
Early Retirement Benefit:	The amount of the benefit is the amount accrued at retirement date reduced by 0.4% for each month by which the early retirement date precedes age 62.
Disability Benefit:	An immediate monthly pension equal to the accrued benefit (unreduced for early commencement).
Pre-Retirement Death Benefit:	Pre-Retirement Death Benefit-Employer paid 50% pre-retirement surviving spouse benefit payable (to an eligible surviving spouse) if death occurs prior to retirement in the case of any vested active or terminated participant. Payable at participant's early (with reduction) or normal retirement date.
Forms of Payment:	The standard form of benefit is a life annuity with 5 year certain.

Plan Name:	SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN:	06-1209796 / 002
Plan Sponsor:	B/E Aerospace, Inc.
Valuation Date:	January 1, 2018

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 25 Change in Method

Change in methods since prior valuation

A change in funding method occurred due a change in the enrolled actuary, the business organization providing actuarial services to the plan and the valuation software used to produce the January 1, 2018 plan year actuarial information. The valuation methods used after this change are substantially the same as the methods used by the prior enrolled actuary and are consistent with the description of the method contained in the prior actuarial report and Schedule SB. The percentage change in funding target and target normal cost due to the method change were less than 3% and the percentage change in asset value due to the method change was less than 1% of the values determined by the prior enrolled actuary for the prior plan year. Therefore, these changes in funding method received automatic IRS approval based on the criteria set forth in Revenue Procedure 2017-56.

Plan Name: SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN: 06-1209796 / 002
Plan Sponsor: B/E Aerospace, Inc.
Valuation Date: January 1, 2018

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24 Change in Actuarial Assumptions

Change in assumptions since prior valuation

The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC 430.

The mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvement, as required by IRC 430. Assumptions used for funding purposes are as prescribed by IRC §430(h). Note that the plan sponsor has decided, as allowed by regulation §1.430(h)(3)-1, to delay until the 2019 plan year updating the required mortality table to reflect the RP-2014 study and subsequent Society of Actuaries studies.

Additionally mortality was changed from the combined annuitant and non-annuitant tables to separate mortality for annuitant and non-annuitant.

Plan Name:	SMR Technologies, Inc. Defined Benefit Pension Plan for Union Employees
EIN / PN:	06-1209796 / 002
Plan Sponsor:	B/E Aerospace, Inc.
Valuation Date:	January 1, 2018