

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 2019 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</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>LEONARDO DRS, INC. PENSION VALUE PLAN</u>	1b Three-digit plan number (PN) ▶	<u>002</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>LEONARDO DRS, INC.</u> <u>2345 CRYSTAL DRIVE, SUITE 1000</u> <u>ARLINGTON, VA 22202</u>	1c Effective date of plan <u>10/01/2001</u>	2b Employer Identification Number (EIN) <u>13-2632319</u>	2c Plan Sponsor's telephone number <u>301-694-2567</u>
		2d Business code (see instructions) <u>334500</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.	<u>10/08/2020</u>	<u>KELLY BAER</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
	Signature of DFE	Date	Enter name of individual signing as DFE

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

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3a Plan administrator's name and address ☐ Same as Plan Sponsor LEONARDO DRS, INC. 5202 PRESIDENTS COURT, SUITE 300 FREDERICK, MD 21703		3b Administrator's EIN 13-2632319	
		3c Administrator's telephone number 301-694-2570	
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	92
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)	29
		6a(2)	26
		6b	25
		6c	38
		6d	89
		6e	1
		6f	90
		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: 1A 1C 1I 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	
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) ☐ <u>0</u> 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 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE 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 2019 This Form is Open to Public Inspection
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For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

▶ **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 <u>LEONARDO DRS, INC. PENSION VALUE PLAN</u>	B Three-digit plan number (PN) ▶ <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>LEONARDO DRS, INC.</u>	D Employer Identification Number (EIN) <u>13-2632319</u>
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>2019</u>	
2 Assets:	
a Market value	2a <u>13656424</u>
b Actuarial value	2b <u>14298287</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants <u>22</u> (2) Vested Funding Target <u>7934568</u> (3) Total Funding Target <u>7934568</u>
b For terminated vested participants.....	<u>41</u> <u>7607385</u> <u>7607385</u>
c For active participants	<u>29</u> <u>8053416</u> <u>8266430</u>
d Total.....	<u>92</u> <u>23595369</u> <u>23808383</u>
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 <u>23191042</u>
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 <u>24734394</u>
5 Effective interest rate	5 <u>5.57</u> %
6 Target normal cost.....	6 <u>170000</u>

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>10/07/2020</u>
	Signature of actuary	Date
<u>PAUL F. POLCHERT</u>	Type or print name of actuary	<u>20-02704</u>
		Most recent enrollment number
<u>AON CONSULTING, INC.</u>	Firm name	<u>212-479-4651</u>
<u>ONE LIBERTY PLAZA, 165 BROADWAY</u> <u>SUITE 3201</u> <u>NEW YORK, NY 10006</u>	Address of the firm	Telephone number (including area code)

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) 2019
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Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>-6.14</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.75</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages

14 Funding target attainment percentage	14	61.65 %
15 Adjusted funding target attainment percentage	15	61.65 %
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	52.01 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	57.35 %

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
04/15/2019	553088	0			
07/15/2019	500003	0			
10/15/2019	500003	0			
01/15/2020	500003	0			
10/05/2020	264119	0			
Totals ►			18(b)	2317216	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	2222237

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:
3.74 %2nd segment:
5.35 %3rd segment:
6.11 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b**

4

22 Weighted average retirement age**22**

64

23 Mortality table(s) (see instructions)☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) **29** 0**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0**Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6) **31a** 170000**b** Excess assets, if applicable, but not greater than line 31a **31b** 0**32** Amortization installments:**a** Net shortfall amortization installment Outstanding Balance 9510096 Installment 2052237**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** 2222237**35** Balances elected for use to offset funding requirement Carryover balance Prefunding balance Total balance 0**36** Additional cash requirement (line 34 minus line 35) **36** 2222237**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 2222237**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) **38a** 0**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b** 0**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) **39** 0**40** Unpaid minimum required contributions for all years **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2019
		This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan LEONARDO DRS, INC. PENSION VALUE PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 LEONARDO DRS, INC.	D Employer Identification Number (EIN) 13-2632319	

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)

AON CONSULTING, INC.

22-2232264

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 16 50	NONE	31809	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

RUBIN BROWN LLP

43-0765316

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	27900	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

AON HEWITT INVESTMENT CONSULTING

27-2436452

(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 28 50	NONE	15975	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)

DEGANN CONSULTING, LLC

57 EAST 74TH ST
NEW YORK, NY 10021

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 16 50	NONE	12000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

THE BANK OF NEW YORK MELLON

13-5160382

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 18 50 51 59 62	NONE	6738	Yes ☒ No ☐	Yes ☒ No ☐	0	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:

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

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

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

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

SCHEDULE H (Form 5500) <small>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 2019 This Form is Open to Public Inspection
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan LEONARDO DRS, INC. PENSION VALUE PLAN		B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 LEONARDO DRS, INC.		D Employer Identification Number (EIN) 13-2632319

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	810461	764122
(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)		
(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)	12860674	17275545
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	13671135	18039667
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	15653	29240
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	15653	29240
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	13655482	18010427

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	2317216	
(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)		2317216
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(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)		2959968
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		5277184

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	771911	
(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)		771911
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)	78447	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	15975	
(4) Other	2i(4)	55906	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		150328
j Total expenses. Add all expense amounts in column (b) and enter total	2j		922239

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		4354945
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☐ Unmodified (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: RUBIN BROWN LLP

(2) EIN: 43-0765316

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

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

Part IV Compliance Questions

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

During the plan year:

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

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

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....			
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
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?.....			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)			
4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?.....			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
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)

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 421496. (See instructions.)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2019</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan LEONARDO DRS, INC. PENSION VALUE PLAN		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 LEONARDO DRS, INC.		D Employer Identification Number (EIN) 13-2632319
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 13-5160382		
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 0
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) 2019 v. 190130		

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): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

- a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No

- b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

LEONARDO DRS, INC.
PENSION VALUE PLAN
FINANCIAL STATEMENTS
DECEMBER 31, 2019

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For Benefits4

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Independent Auditors' Report

Leonardo DRS, Inc. Retirement Benefit Plans Committee
Leonardo DRS, Inc. Pension Value Plan
Arlington, Virginia

Report On The Financial Statements

We were engaged to audit the accompanying financial statements of Leonardo DRS, Inc. Pension Value Plan, which comprise the statement of net assets available for benefits as of December 31, 2019 and 2018, and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility For The Financial Statements

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

Auditors' Responsibility

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

Basis For Disclaimer Of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by The Bank of New York Mellon (Bank of New York), except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that Bank of New York holds investment assets and executes investment transactions. The Plan Administrator has obtained certifications from Bank of New York as of December 31, 2019 and 2018, and for the years then ended, that the information provided to the Plan Administrator by Bank of New York 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.

Report On Form And Content In Compliance With DOL Rules And Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by Bank of New York, 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.

RubinBrown LLP

October 7, 2020

LEONARDO DRS, INC. PENSION VALUE PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2019	2018
Assets		
Investments - At Fair Value		
Plan interest in Leonardo DRS, Inc. Retirement Plans Master Trust	\$ 17,275,545	\$ 12,860,674
Receivables		
Company contributions	764,122	810,461
Total Assets	18,039,667	13,671,135
Liabilities		
Accrued expenses	29,240	15,653
Net Assets Available For Benefits	\$ 18,010,427	\$ 13,655,482

LEONARDO DRS, INC. PENSION VALUE PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

	For The Years Ended December 31,	
	2019	2018
Additions To Net Assets Attributed To:		
Company contributions	\$ 2,317,216	\$ 2,312,511
Deductions From Net Assets Attributed To:		
Benefits paid to participants	771,911	645,115
Administrative expenses	150,328	112,175
Total Deductions	922,239	757,290
Investment Income (Loss)		
Plan interest in Leonardo DRS, Inc. Retirement Plans Master Trust investment income (loss)	2,959,968	(733,859)
Net Increase	4,354,945	821,362
Net Assets Available For Benefits - Beginning Of Year	13,655,482	12,834,120
Net Assets Available For Benefits - End Of Year	\$ 18,010,427	\$ 13,655,482

LEONARDO DRS, INC. PENSION VALUE PLAN

NOTES TO FINANCIAL STATEMENTS

December 31, 2019 And 2018

1. Description Of Plan

The following description of Leonardo DRS, Inc. Pension Value Plan (the Plan) provides only general information. Participants should refer to the Plan Document for a more complete description of the Plan's provisions.

General

The Plan was established by Leonardo DRS, Inc. (DRS or the Company) on October 1, 2001 as a noncontributory defined benefit plan. The Plan was established in connection with DRS' purchase of certain assets and liabilities of the Sensors and Electronics Systems business of The Boeing Company (SES). After October 1, 2001, no new participants were eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Plan Amendments

Effective December 31, 2007, the Plan was amended to freeze the benefits of highly compensated employees, as defined by the Plan Document.

Effective December 31, 2014, the Plan was amended to freeze the benefits of all remaining employees.

Participation

Nonunion transferred DRS employees who were on the active payroll of SES on September 28, 2001 and participated in the Boeing Company Pension Value Plan and/or the Boeing Company Pension Value Plan for Heritage MDC Employees generally were eligible to participate in the Plan. Individuals were also generally eligible if they were a nonunion employee in either of the aforementioned Boeing plans.

Retirement Date

A participant's normal retirement date is the first of the month on or after his or her 65th birthday. A Plan participant may retire before age 65 with reduced benefits, if he or she is age 55 or older with at least 10 years of vesting service; or age 62 or older.

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements *(Continued)*

Normal Retirement Benefit

Plan pension benefits are determined based on two benefit formulas, as defined in the Plan Document. The participant receives the benefits under the formula that produces the larger monthly benefit.

Other Benefits

In addition to retirement benefits, the Plan provides disability and postretirement spousal death benefits.

Vesting

The Plan provides for 100% vesting upon the earliest of:

- Completing three years of service, as defined;
- Attaining age 62 prior to termination of employment;
- Electing an early retirement date due to being laid off after attaining age 55, as defined; or
- Solely with respect to a participant with a Protected BNA Benefit, as defined, attaining age 55 prior to termination of employment.

Funding Policy

The Company funds the entire cost of the Plan by contributing actuarially determined amounts to a trust fund, from which benefits are paid. No employee contributions are required or permitted. The Plan was in compliance with applicable ERISA minimum funding requirements for the Plan years ended December 31, 2019 and 2018.

2. Summary Of Significant Accounting Policies

Basis Of Presentation

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

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements *(Continued)*

Estimates And Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements and changes therein for the reported period. Actual results could differ from those estimates.

Valuation Of Investments And Income (Loss) Recognition

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

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

Payment Of Benefits

Benefits are recorded when paid.

Administrative Expenses

The Plan's expenses are paid either by the Plan or the Company, as provided by the Plan Document. Expenses that are paid directly by the Company are excluded from these financial statements. Certain expenses incurred in connection with the general administration of the Plan that are paid by the Plan are recorded as deductions in the accompanying statement of changes in net assets available for benefits.

Actuarial Present Value Of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, which are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated participants with vested rights or their beneficiaries, (b) beneficiaries of vested participants who have died and (c) present employees or their beneficiaries based on service rendered to the valuation date.

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements *(Continued)*

The actuarial present value of accumulated plan benefits was certified by the Plan's consulting actuaries. The amount is the result of applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation as of January 1, 2019 are as follows:

Interest Rate	7.00%
Mortality	RP-2006 Employee Healthy Annuitant Table projected using Scale MP2016 with white collar adjustment.
Retirement	For active employees, retirement is assumed at varying rates between ages 55 and 70. Benefit commencement age for vested terminated participants is 61.

The foregoing assumptions are based on the presumption that the Plan will continue. Actual results may differ from assumptions used. Furthermore, were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements *(Continued)*

A summary of the actuarial present value of accumulated plan benefits as of January 1, 2019 is as follows:

Actuarial Present Value Of Accumulated Plan Benefits	
Vested benefits	
Participants currently receiving payments	\$ 7,171,563
Other participants	13,213,666
	<u>20,385,229</u>
Nonvested benefits	<u>189,104</u>
Total Actuarial Present Value Of Accumulated Plan Benefits	<u><u>\$ 20,574,333</u></u>

The change in the actuarial present value of accumulated plan benefits for the year ended January 1, 2019 is as follows:

Actuarial Present Value Of Accumulated Plan Benefits - Beginning Of Year	<u>\$ 20,327,136</u>
Increases (Decreases) During The Year:	
Benefit payments	(645,115)
Increase for interest due to decrease in the discount period	1,400,702
Assumption changes	17,336
Other changes	<u>(525,726)</u>
Net increase	<u>247,197</u>
Actuarial Present Value Of Accumulated Plan Benefits - End Of Year	<u><u>\$ 20,574,333</u></u>

Subsequent Events

Management evaluates subsequent events through the date the financial statements are available for issue, which is the date of the Independent Auditors' Report.

3. Investment In Master Trust

Plan investments are held in the Leonardo DRS, Inc. Retirement Plans Master Trust (Master Trust) that was established for the investment of assets of the Plan and other Company-sponsored retirement plans. Each plan has a sub-account under the Master Trust. Investment income (loss) and administrative expenses relating to the Master Trust are allocated to the individual plans based upon the amount of time the Plan's assets were invested in the Master Trust.

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements *(Continued)*

Financial information relating to the investments in the Master Trust is included in the financial statements and is based on the information certified by the trustee, The Bank of New York Mellon (Bank of New York). This information, which has not been audited by the Plan's independent auditors, has been certified by Bank of New York as complete and accurate.

The following table represents the Master Trust's balances and the Plan's interest in the Master Trust balances as of December 31, 2019:

	Master Trust Balances	Plan's Interest In Master Trust Balances
Investments		
Collective trust funds	\$ 136,551,046	\$ 16,977,691
Cash equivalent	2,392,410	297,453
Total Investments	138,943,456	17,275,144
Interest Receivable	3,224	401
Net Assets Available For Benefits	\$ 138,946,680	\$ 17,275,545

The following table represents the Master Trust's balances and the Plan's interest in the Master Trust balances as of December 31, 2018:

	Master Trust Balances	Plan's Interest In Master Trust Balances
Investments		
Collective trust funds	\$ 112,078,588	\$ 12,475,437
Cash equivalent	3,451,937	384,235
Total Investments	115,530,525	12,859,672
Interest Receivable	9,005	1,002
Net Assets Available For Benefits	\$ 115,539,530	\$ 12,860,674

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements *(Continued)*

The changes in net assets for the Master Trust for the years ended December 31, 2019 and 2018 are as follows:

	2019	2018
Investment Income (Loss)		
Net appreciation (depreciation) in fair value of investments	\$ 25,176,144	\$ (7,424,139)
Transfers		
Transfers to Master Trust	1,089,914	4,216,351
Transfers from Master Trust	(2,858,908)	(4,846,167)
Net Transfers	(1,768,994)	(629,816)
Net Increase (Decrease)	23,407,150	(8,053,955)
Net Assets Available For Benefits - Beginning Of Year	115,539,530	123,593,485
Net Assets Available For Benefits - End Of Year	\$ 138,946,680	\$ 115,539,530

4. Fair Value Measurements

The Master Trust utilizes an accounting standard for certain financial assets and liabilities. This standard defines fair value, establishes a framework for measuring fair value in accordance with U.S. generally accepted accounting principles and expands disclosures about fair value measurements. The standard also establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The standard requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

- | | |
|---------|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Master Trust has the ability to access. |
| Level 2 | Inputs to the valuation methodology include: <ul style="list-style-type: none">• Quoted prices for similar assets or liabilities in active markets; |

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements (*Continued*)

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

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

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

Collective Trust Funds And Cash Equivalent

Valued at the net asset value per share/unit (NAV), as provided by the trustee. NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

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

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements *(Continued)*

Investments in collective trust funds and cash equivalent are measured at fair value using the net asset value per share (or its equivalent) practical expedient, and therefore, have not been classified in the fair value hierarchy.

Fair Value Of Investments In Entities That Use NAV

The following table summarizes investments measured at fair value based on NAV per share as of December 31, 2019 and 2018:

Investment Type	Fair Value		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
	2019	2018			
Collective trust funds	\$ 136,551,046	\$ 112,078,588	None	Daily	None
Cash equivalent (1)	<u>2,392,410</u>	<u>3,451,937</u>	None	Daily	None
	<u>\$ 138,943,456</u>	<u>\$ 115,530,525</u>			

- (1) The investment objective is to seek as high a level of current income as is consistent with the preservation of capital and maintenance of liquidity.

There have been no changes in the valuation methodology used at December 31, 2019 or 2018.

5. Plan Termination

In the event the Plan terminates, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations, generally to provide the following benefits, if applicable, in the order indicated:

- (a) The minimum benefits payable under the Plan to participants who began receiving benefits at least three years before the Plan termination, based on Plan provisions in effect at any time during the five years prior to termination.
- (b) The minimum benefits payable under the Plan which would have been received by participants or their beneficiaries at least three years before the Plan termination if the participant had retired more than three years before the Plan termination and if benefits had commenced (normal retirement benefits under the Plan) at that time, based on Plan provisions in effect at any time during the five years prior to termination.

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements *(Continued)*

- (c) Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC), a U.S. government agency, up to the applicable limitations (discussed below).
- (d) All other nonforfeitable benefits.
- (e) All other benefits.

Certain benefits under the Plan are insured by the 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.

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 for accumulated benefit obligations and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC.

While the Company has not expressed any interest to terminate the Plan or to discontinue operations, it is free to do so at any time, subject to the terms of the collective bargaining agreements and provisions set forth in ERISA.

6. Risks And Uncertainties

The Master Trust invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and such changes could materially affect the amounts reported in the statement of net assets available for benefits.

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

LEONARDO DRS, INC. PENSION VALUE PLAN

Notes To Financial Statements (*Continued*)

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency stemming from a new strain of coronavirus that was spreading globally (the “COVID-19 outbreak”). On March 11, 2020, the WHO classified the COVID-19 outbreak as a pandemic, triggering volatility in financial markets and a significant negative impact on the global economy. As a result, the Plan's investment portfolio has incurred significant fluctuation in fair value since December 31, 2019. However, because the values of the Plan's individual investments have and will fluctuate in response to changing market conditions, the amount of losses that could be recognized in subsequent periods, if any, cannot be determined. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report.

7. Transactions With Parties In Interest

As of December 31, 2019 and 2018, the Master Trust invests in collective trust funds managed by Aon, the Plan's recordkeeper.

As described in Note 2, the Plan paid certain expenses related to Plan operations and investment activity to various service providers. The Plan also reimbursed the Company, pursuant to a mutual understanding and agreement, for direct expenses associated with the payment of PBGC insurance premiums for the Plan.

These transactions are permissible party in interest transactions under ERISA.

8. Tax Status

The Plan obtained its latest determination letter on March 22, 2016, in which the Internal Revenue Service states that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (the IRC). The Plan has been amended since receiving the determination letter. However, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan's federal tax returns for tax years 2016 and later remain subject to examination by taxing authorities.

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
EIN: 13-2632319 PN: 002

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2019

**Schedule SB, Line 26—Schedule of Active Participant Data
As of January 1, 2019**

**Leonardo DRS, Inc.
Leonardo DRS Inc., Pension Value Plan
Active Employees**

EIN: 13-2632319 PN: 002

Attained Age	Number of Participants Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34										
35-39										
40-44					1	3				
45-49						2				
50-54						1		1		
55-59						3	4	2		
60-64					1	2	1	4	2	
65-69						1			1	
70+										

N-29

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
EIN: 13-2632319 PN: 002

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Actuarial Assumptions and Methods

For ERISA Requirements

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of September 2018), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
---	---

1st Segment Rate	3.74%
2nd Segment Rate	5.35%
3rd Segment Rate	6.11%

Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2018), without regard to interest rate stabilization
---	---

1st Segment Rate	2.28%
2nd Segment Rate	3.81%
3rd Segment Rate	4.46%

Optional Payment Form Election Percentage	20% life annuity 80% joint and 50% survivor annuity
---	--

Optional Payment Form Conversion Interest Rate	3.43%/4.46%/4.88%
---	-------------------

Optional Payment Form Conversion Mortality	2019 IRC section 417(e)(3) mortality table
---	--

Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	Age 61

Mortality Rates	
Healthy and Disabled	2019 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e) and IRS Notice 2018-02

Withdrawal Rates	See Table 2
------------------	-------------

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
EIN: 13-2632319 PN: 002

For ERISA Requirements

Disability Rates	None
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are three years older than their spouses.
Benefit Limits	Projected benefits are limited by the current IRC section 415 maximum benefit of \$225,000.
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.
Expected Return on Assets	
2017 Plan Year	7.00%, limited to 6.48%
2018 Plan Year	7.00%, limited to 6.29%
2019 Plan Year	7.00%, limited to 6.11%
Trust Expenses Included in Target Normal Cost	\$170,000
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2019

Changes in ERISA Methods/Assumptions Since the Prior Year

Method Changes

There have been no method changes in the funding valuation since the prior year.

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
EIN: 13-2632319 PN: 002

Assumption Changes

The funding valuation reflects the following assumption changes:

- A change in the interest rate assumption from segment rates as of September 2017 to segment rates as of September 2018, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.
- A change in the mortality assumption from the 2018 static mortality table (with new basis adoption deferred to 2019) for annuitants and non-annuitants per §1.430(h)(3)-1(e) to the 2019 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e) and IRS Notice 2018-02.
- A change in the optional payment form conversion interest rate assumption from 2.33%/3.55%/4.11% to 3.43%/4.46%/4.88%.
- A change in the optional payment form conversion mortality assumption from the 2018 plan year IRC section 417(e)(3) mortality table to the 2019 plan year IRC section 417(e)(3) mortality table.

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
EIN: 13-2632319 PN: 002

Actuarial Assumptions and Methods

Table 1

Retirement Rates

Age	Rate
55-61	0.05%
62-64	0.10%
65-69	0.20%
70+	1.00%

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
EIN: 13-2632319 PN: 002

Table 2

Withdrawal Rates

Age	Rate	Age	Rate
15	0.00%	45	6.32%
16	0.00%	46	6.31%
17	0.00%	47	6.36%
18	0.00%	48	6.48%
19	29.43%	49	6.66%
20	27.73%	50	6.90%
21	26.10%	51	7.22%
22	24.53%	52	7.59%
23	23.02%	53	8.03%
24	21.58%	54	8.54%
25	20.21%	55	9.11%
26	18.90%	56	9.74%
27	17.65%	57	10.44%
28	16.47%	58	11.21%
29	15.35%	59	12.04%
30	14.30%	60	12.94%
31	13.32%	61	13.90%
32	12.39%	62	14.92%
33	11.54%	63	16.01%
34	10.75%	64	17.16%
35	10.02%	65+	0.00%
36	9.36%		
37	8.76%		
38	8.23%		
39	7.76%		
40	7.36%		
41	7.02%		
42	6.75%		
43	6.54%		
44	6.40%		

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
EIN: 13-2632319 PN: 002

Actuarial Assumptions and Methods

Discussion of Actuarial Assumptions and Methods

For the funding valuation, the allowable interest rates and mortality tables available to measure plan liabilities are prescribed by IRC section 412. Aon provided guidance with respect to the alternative interest rate and mortality table options, and it is our belief that the options prescribed by Leonardo DRS, Inc. are appropriate for funding purposes. It is our belief that all other actuarial assumptions used for the funding valuation represent reasonable expectations of anticipated plan experience. The actuarial cost and amortization methods used are prescribed by IRC section 412. While the method used to value assets is prescribed by Leonardo DRS, Inc., Aon provided guidance with respect to the use of this method, and it is our belief that the method is appropriate for funding purposes.

For the plan accounting valuation, Leonardo DRS, Inc. selected the economic and demographic assumptions and prescribed them for use for purposes of compliance with ASC 960. Aon provided guidance with respect to these assumptions, and it is our belief that the assumptions represent reasonable expectations of anticipated plan experience. The asset and actuarial cost methods used are prescribed by ASC 960.

Calculation of Normal Costs and Liabilities

The method used to calculate the ERISA target normal cost and funding target, and ASC 960 liabilities, is the unit credit cost method. The funding target under IRC section 430 is calculated as the present value of all benefits that have been accrued or earned under the plan as of the first day of the plan year, based on current service and current pay. The target normal cost is the present value of all benefits expected to accrue or be earned under the plan during the plan year, including any increase in benefits earned in prior plan years attributable to compensation increases in the current plan year, plus certain trust expenses.

Under this method, benefits are estimated at each decrement age using service and earnings as of the valuation date. The present value of these estimated benefits using the applicable ERISA or ASC 960 assumptions is the ERISA funding target or ASC 960 actuarial present value of accumulated plan benefits. The target normal cost is the present value of the benefits earned during the year.

For calculating the actuarial present value of vested benefits, benefits at each decrement age are determined in the same manner but are then multiplied by each participant's vesting percentage as of the valuation date. The present value of these estimated vested benefits is determined without recognition of any benefit for which a participant will become entitled only through the advancement in service or age while actively employed. In addition, certain ancillary benefits have been treated as vested consistent with PBGC premium regulations.

The ERISA funding target for lump sum benefits, other than lump sum benefits paid from a statutory hybrid plan under the provisions of IRC section 411(a)(13)(A), is determined by valuing the annuity that corresponds to the distribution using special actuarial assumptions, as described under Treasury regulations section 1.430(d). Under these special assumptions, for the period beginning with the annuity starting date, the current IRC section 417(e) applicable mortality table is substituted for the mortality table otherwise used.

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 2019 This Form is Open to Public Inspection
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For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

▶ **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 Leonardo DRS, Inc. Pension Value Plan	B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Leonardo DRS, Inc.	D Employer Identification Number (EIN) 13-2632319
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 2019	
2 Assets:	
a Market value.....	2a 13,656,424
b Actuarial value	2b 14,298,287
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants 22 (2) Vested Funding Target 7,934,568 (3) Total Funding Target 7,934,568
b For terminated vested participants	41 7,607,385 7,607,385
c For active participants	29 8,053,416 8,266,430
d Total	92 23,595,369 23,808,383
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 23,191,042
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 24,734,394
5 Effective interest rate	5 5.57%
6 Target normal cost	6 170,000

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	PAUL F. POLCHERT		10/07/2020
Signature of actuary			Date
PAUL F. POLCHERT			2002704
Type or print name of actuary			Most recent enrollment number
AON CONSULTING, INC.			212-479-4651
Firm name			Telephone number (including area code)
One Liberty Plaza, 165 Broadway Suite 3201 NEW YORK NY 10006			
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) 2019
v. 190130**

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9 Amount remaining (line 7 minus line 8).....	0	0
10 Interest on line 9 using prior year's actual return of <u>-6.14%</u>	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.75%</u>		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance.....		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	0

Part III Funding Percentages

14 Funding target attainment percentage	14	61.65%
15 Adjusted funding target attainment percentage.....	15	61.65%
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	52.01%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	57.35%

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
04/15/2019	553,088	0			
07/15/2019	500,003	0			
10/15/2019	500,003	0			
01/15/2020	500,003	0			
10/05/2020	264,119	0			
Totals ▶			18(b)	2,317,216	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	2,222,237

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: 3.74 %	2nd segment: 5.35 %	3rd segment: 6.11 %
		☐ N/A, full yield curve used		
b	Applicable month (enter code).....	21b	4	
22	Weighted average retirement age	22	64	
23	Mortality table(s) (see instructions)	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

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

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

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

Part VIII Minimum Required Contribution For Current Year

31	Target normal cost and excess assets (see instructions):		
a	Target normal cost (line 6)	31a	170,000
b	Excess assets, if applicable, but not greater than line 31a	31b	0
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment	9,510,096	2,052,237
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	2,222,237
	Carryover balance	Prefunding balance	Total balance
35	Balances elected for use to offset funding requirement.....		0
36	Additional cash requirement (line 34 minus line 35).....	36	2,222,237
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	2,222,237
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)	38a	0
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....	39	0
40	Unpaid minimum required contributions for all years	40	0

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

41	If an election was made to use PRA 2010 funding relief for this plan:	
a	Schedule elected	☐ 2 plus 7 years ☐ 15 years
b	Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
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Schedule SB, line 4—Additional Information for Plans in At-Risk Status

The at-risk assumption for payment form is, 50% Joint and Survivor Option, the optional payment form that results in the highest present value.

Schedule SB Attachment (Form 5500)—2019 Plan Year
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Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2019

Date	Amount	Days to Discount to 1/1/2019 at 5.57%	Days to Discount to 1/1/2019 at 5.40%	Interest Adjusted Contribution
April 15, 2019	\$ 553,088	104	0	\$ 544,611
July 15, 2019	500,003	195	0	485,731
October 15, 2019	500,003	287	0	479,140
January 15, 2020	500,003	379	0	472,641
October 5, 2020	<u>264,119</u>	643	20	<u>240,114</u>
Total Contribution	\$ 2,317,216			\$ 2,222,237

Schedule SB Attachment (Form 5500)—2019 Plan Year
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Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at beginning of year.

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55	5.00%	1.0000	2.75
56	5.00%	0.9500	2.66
57	5.00%	0.9025	2.57
58	5.00%	0.8574	2.49
59	5.00%	0.8145	2.40
60	5.00%	0.7738	2.32
61	5.00%	0.7351	2.24
62	10.00%	0.6983	4.33
63	10.00%	0.6285	3.96
64	10.00%	0.5657	3.62
65	20.00%	0.5091	6.62
66	20.00%	0.4073	5.38
67	20.00%	0.3258	4.37
68	20.00%	0.2607	3.54
69	20.00%	0.2085	2.88
70	100.00%	0.1668	11.68
Weighted Average			63.81
Rounded to Sch B			64

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
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Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2019

**Schedule SB, Line 26—Schedule of Active Participant Data
As of January 1, 2019**

Leonardo DRS, Inc.
Leonardo DRS Inc., Pension Value Plan
Active Employees

EIN: 13-2632319 PN: 002

Attained Age	Number of Participants Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34										
35-39										
40-44					1	3				
45-49						2				
50-54						1		1		
55-59						3	4	2		
60-64					1	2	1	4	2	
65-69						1			1	
70+										

N-29

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
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Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	\$ 994,893	January 1, 2016	4	\$ 262,585
Shortfall	\$ 7,226,728	January 1, 2017	5	\$ 1,553,384
Shortfall	\$ 1,227,624	January 1, 2018	6	\$ 226,380
Shortfall	\$ 60,851	January 1, 2019	7	\$ 9,888

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
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Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Actuarial Assumptions and Methods

For ERISA Requirements

Interest Rates for Minimum Funding Purposes	Based on segment rates with a four-month lookback (as of September 2018), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
1st Segment Rate	3.74%
2nd Segment Rate	5.35%
3rd Segment Rate	6.11%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2018), without regard to interest rate stabilization
1st Segment Rate	2.28%
2nd Segment Rate	3.81%
3rd Segment Rate	4.46%
Optional Payment Form Election Percentage	20% life annuity 80% joint and 50% survivor annuity
Optional Payment Form Conversion Interest Rate	3.43%/4.46%/4.88%
Optional Payment Form Conversion Mortality	2019 IRC section 417(e)(3) mortality table
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	Age 61
Mortality Rates	
Healthy and Disabled	2019 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e) and IRS Notice 2018-02
Withdrawal Rates	See Table 2

Schedule SB Attachment (Form 5500)—2019 Plan Year
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For ERISA Requirements

Disability Rates	None
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are three years older than their spouses.
Benefit Limits	Projected benefits are limited by the current IRC section 415 maximum benefit of \$225,000.
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.
Expected Return on Assets	
2017 Plan Year	7.00%, limited to 6.48%
2018 Plan Year	7.00%, limited to 6.29%
2019 Plan Year	7.00%, limited to 6.11%
Trust Expenses Included in Target Normal Cost	\$170,000
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2019

Changes in ERISA Methods/Assumptions Since the Prior Year

Method Changes

There have been no method changes in the funding valuation since the prior year.

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
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Assumption Changes

The funding valuation reflects the following assumption changes:

- A change in the interest rate assumption from segment rates as of September 2017 to segment rates as of September 2018, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.
- A change in the mortality assumption from the 2018 static mortality table (with new basis adoption deferred to 2019) for annuitants and non-annuitants per §1.430(h)(3)-1(e) to the 2019 static mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(e) and IRS Notice 2018-02.
- A change in the optional payment form conversion interest rate assumption from 2.33%/3.55%/4.11% to 3.43%/4.46%/4.88%.
- A change in the optional payment form conversion mortality assumption from the 2018 plan year IRC section 417(e)(3) mortality table to the 2019 plan year IRC section 417(e)(3) mortality table.

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
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Actuarial Assumptions and Methods

Table 1

Retirement Rates

Age	Rate
55-61	0.05%
62-64	0.10%
65-69	0.20%
70+	1.00%

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
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Table 2

Withdrawal Rates

Age	Rate	Age	Rate
15	0.00%	45	6.32%
16	0.00%	46	6.31%
17	0.00%	47	6.36%
18	0.00%	48	6.48%
19	29.43%	49	6.66%
20	27.73%	50	6.90%
21	26.10%	51	7.22%
22	24.53%	52	7.59%
23	23.02%	53	8.03%
24	21.58%	54	8.54%
25	20.21%	55	9.11%
26	18.90%	56	9.74%
27	17.65%	57	10.44%
28	16.47%	58	11.21%
29	15.35%	59	12.04%
30	14.30%	60	12.94%
31	13.32%	61	13.90%
32	12.39%	62	14.92%
33	11.54%	63	16.01%
34	10.75%	64	17.16%
35	10.02%	65+	0.00%
36	9.36%		
37	8.76%		
38	8.23%		
39	7.76%		
40	7.36%		
41	7.02%		
42	6.75%		
43	6.54%		
44	6.40%		

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Actuarial Assumptions and Methods

Discussion of Actuarial Assumptions and Methods

For the funding valuation, the allowable interest rates and mortality tables available to measure plan liabilities are prescribed by IRC section 412. Aon provided guidance with respect to the alternative interest rate and mortality table options, and it is our belief that the options prescribed by Leonardo DRS, Inc. are appropriate for funding purposes. It is our belief that all other actuarial assumptions used for the funding valuation represent reasonable expectations of anticipated plan experience. The actuarial cost and amortization methods used are prescribed by IRC section 412. While the method used to value assets is prescribed by Leonardo DRS, Inc., Aon provided guidance with respect to the use of this method, and it is our belief that the method is appropriate for funding purposes.

For the plan accounting valuation, Leonardo DRS, Inc. selected the economic and demographic assumptions and prescribed them for use for purposes of compliance with ASC 960. Aon provided guidance with respect to these assumptions, and it is our belief that the assumptions represent reasonable expectations of anticipated plan experience. The asset and actuarial cost methods used are prescribed by ASC 960.

Calculation of Normal Costs and Liabilities

The method used to calculate the ERISA target normal cost and funding target, and ASC 960 liabilities, is the unit credit cost method. The funding target under IRC section 430 is calculated as the present value of all benefits that have been accrued or earned under the plan as of the first day of the plan year, based on current service and current pay. The target normal cost is the present value of all benefits expected to accrue or be earned under the plan during the plan year, including any increase in benefits earned in prior plan years attributable to compensation increases in the current plan year, plus certain trust expenses.

Under this method, benefits are estimated at each decrement age using service and earnings as of the valuation date. The present value of these estimated benefits using the applicable ERISA or ASC 960 assumptions is the ERISA funding target or ASC 960 actuarial present value of accumulated plan benefits. The target normal cost is the present value of the benefits earned during the year.

For calculating the actuarial present value of vested benefits, benefits at each decrement age are determined in the same manner but are then multiplied by each participant's vesting percentage as of the valuation date. The present value of these estimated vested benefits is determined without recognition of any benefit for which a participant will become entitled only through the advancement in service or age while actively employed. In addition, certain ancillary benefits have been treated as vested consistent with PBGC premium regulations.

The ERISA funding target for lump sum benefits, other than lump sum benefits paid from a statutory hybrid plan under the provisions of IRC section 411(a)(13)(A), is determined by valuing the annuity that corresponds to the distribution using special actuarial assumptions, as described under Treasury regulations section 1.430(d). Under these special assumptions, for the period beginning with the annuity starting date, the current IRC section 417(e) applicable mortality table is substituted for the mortality table otherwise used.

Schedule SB Attachment (Form 5500)—2019 Plan Year
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Schedule SB, Part V—Summary of Plan Provisions

Plan Provisions

Effective Date	October 1, 2001. Most recently amended July 18, 2017.
Eligibility	Former participants of the Boeing Pension Value Plan are eligible to participate as of the Effective Date. No new entrants are allowed into plan after October 1, 2001.
Normal Retirement Eligibility	Age 65
Benefit	<p>A monthly amount equal to (1) plus (2) below but not less than (3) and (4).</p> <p>(1) Credit Based Benefit</p> <p>Participant's Credit Based Account balance divided by the Credit Based Annuity Factor and then divided by 12 to determine the monthly benefit.</p> <p>(2) Heritage Benefits</p> <p>Participant's MDC or BNA protected benefits, whichever is applicable, multiplied by the ratio of the indexing pay to the base pay as of the benefit transfer date.</p> <p>(3) Minimum Benefit</p> <p>\$50.00 (\$46.00 for a participant with a protected MDC benefit) per month multiplied by the Participant's Benefit Service.</p> <p>(4) Protected Benefit</p> <p>Participant's MDC or BNA protected benefits, whichever is applicable, as of the benefit transfer date.</p> <p>Effective December 31, 2007, the benefit accruals for all Highly Compensated Employees (HCEs) were frozen. Effective December 31, 2014, the benefit accruals for all participants were frozen.</p>

Early Retirement

Schedule SB Attachment (Form 5500)—2019 Plan Year
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Eligibility	The attainment of age 55 and completion of 10 years of Vesting Service or attainment of age 62.
Benefit	<p>An amount equal to (1) plus (2) below but not less than (3) and (4).</p> <p>(1) Credit Based Benefit</p> <p>Participant's Credit Based Account balance divided by Credit Based Annuity Factor and then divided by 12 to determine the monthly benefit.</p> <p>(2) Heritage Benefits</p> <p>Participant's MDC or BNA protected benefits, whichever is applicable, multiplied by the ratio of the indexing pay to the base pay as of the benefit transfer date.</p> <p>Protected BNA benefit is unreduced for participants whose age plus 85-Point Service equals or exceeds 85 on date of benefit commencement; otherwise, reduced by 0.6% for each month by which benefit commencement precedes age 60.</p> <p>Protected MDC benefit is unreduced for participants attaining age 50 with at least 30 years of MDC 85 Point Service or whose age plus MDC 85 Point Service equals or exceeds 85 at benefit commencement; otherwise, reduced by the lesser of 2.5% for each year by which benefit commencement precedes age 62, or 2.5% for each point (age plus service) less than 85.</p> <p>(3) Minimum Benefit</p> <p>\$50.00 (\$46.00 for a participant with a protected MDC benefit) per month multiplied by the participant's benefit service, reduced by 4% for each year the Early Retirement date precedes the Normal Retirement Date.</p> <p>(4) Protected Benefit</p> <p>Participant's MDC or BNA protected benefits, whichever is applicable, as of the benefit transfer date.</p> <p>Protected BNA benefit is unreduced for participants whose age plus 85-Point Service equals or exceeds 85 on date of benefit commencement;</p>

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otherwise, reduced by 0.6% for each month by which benefit commencement precedes age 60.

Protected MDC benefit is unreduced for participants attaining age 50 with at least 30 years of MDC 85 Point Service or whose age plus MDC 85 Point Service equals or exceeds 85 at benefit commencement; otherwise, reduced by the lesser of 2.5% for each year by which benefit commencement precedes age 62, or 2.5% for each point (age plus service) less than 85.

Protected MDC Benefit based on the MDHC salaried benefit and MDHC hourly benefit, as described in the MDC Plan, shall be reduced by 5% for each year (and a proportional reduction for partial years)

Benefits were frozen as of December 31, 2014.

Vested Retirement
Eligibility

Completion of 5 Years of Vesting Service.

Benefit

The deferred vested pension shall begin on the Participant's Normal Retirement Date and is equal to his accrued benefit at his termination date.

Preretirement Spouse's Benefit
Eligibility

Spouses or designated beneficiaries of active participants who die after becoming vested and spouses or designated beneficiaries of vested terminated participants who die before benefits commence. Qualified election of nonspouse beneficiary is required if participant is married.

Benefit

(1) Death On or After Earliest Commencement Date

The amount of monthly benefit is equal to the amount the spouse would have been entitled to under the 100% Surviving Spouse Option. The benefit is determined as if the participant had retired on the first day of the month following the date of death.

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(2) Death Before Earliest Commencement Date

The amount of benefit under the 50% Surviving Spouse Option determined as follows:

- (a) Participant terminated employment on the Date of Death,
- (b) Survived to the earliest commencement date,
- (c) Commenced receiving benefit payments with the 50% Surviving Spouse Option, and
- (d) Died immediately after commencement.

Temporary Supplement Benefit

(1) 60/15 Supplement

Participants with protected BNA benefits who retire after age 60 with 15 years of 85 Point Service on or before December 1, 2008 are eligible for a supplemental benefit equal to the larger of (a) or (b) plus (c) reduced by (d):

- (a) \$375 per month,
- (b) the Social Security Earnings Limit Offset plus
- (c) the protected BNA benefit as of the transfer date,
- (d) the participant's Early Retirement Benefit as defined above.

(2) 85-Point Service Supplement

Participants with protected BNA benefits who retire after age 55 and whose age plus 85 Point Service equals at least 85 on early retirement date and retire on or before December 1, 2008 are eligible for a supplemental benefit as defined in (i) above but not less than \$1,600.

(3) Minimum Early Retirement Benefit (MERB)

Participants with protected MDC benefits who retire after age 50 with 30 years of service on or before December 1, 2008 are eligible for a supplemental benefit of \$375 per month plus the protected MDC benefit as of the transfer date minus the participant's current Early Retirement Benefit as defined above.

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(4) Supplemental Minimum Early Retirement Benefit (SMERB)

Participants with protected MDC benefits who retire after age 60 with at least 20 years of service but less than 30 years of services and retire on or before December 1, 2008 are eligible for a supplemental benefit of \$375 per month plus the protected MDC benefit as of the transfer date minus the participant's current Early Retirement Benefits defined above plus benefits under the Employee Retirement Income Plan of McDonnell Douglas Corporation Hourly East Plan and the Employee Retirement Income Plan of McDonnell Douglas Corporation-Hourly West Plan, reduced for early retirement pursuant to terms as defined in the prior plans.

All of the above benefits are payable through age 62 and 1 month.

Vesting Service

- (1) Service earned under the Prior Plan immediately prior to the Effective Date, plus
- (2) The number of years and fractions of a year for service beginning after the Effective Date and ends on termination of employment.

Credited Service

The period of Credited Service is determined as (1) plus (2) below:

- (1) Credited Service earned under the Prior Plan immediately prior to the effective date
- (2) A year of service is credited for each year of service beginning after the effective date.

Normal Form of Benefit

Life annuity, if single; 50% joint and survivor annuity, if married

Optional Forms of Benefits Payments

50%, 75% or 100% Joint and Survivor Annuity or any years Certain and Continuous Annuity or Life Annuity or Accelerated Income Option.

Small Pensions

Benefits with an actuarial present value of less than \$1,000 are paid by the Plan committee in the form of a lump sum without the participant's consent.

Credit Based Annuity Factor

The Credit Based Annuity Factor is "11" except as follows:

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For a Vested Terminated Participant who terminated employment on or before age 55, the Factor is "15".

For a Vested Terminated Participant who terminated employment after 55 but before 65, the Factor is "11", plus 1/30 times the number of months that termination occurred before age 65.

Credit Based Account

The Credit Based Account is the cumulative account balance of Benefit Credits and Interest Credits.

Benefit Credits

Applicable percentage defined below times Pensionable Pay:

Age at end of Plan Year	Percentage
Less than 30	3%
30 - 34	4%
35 - 39	5%
40 - 44	7%
45 - 49	9%
50 and over	11%

Interest Credits

The Credit Based Account as of the beginning of the Plan Year times the annual rate of interest on 30-year Treasury securities for the month of November preceding the first day of the Plan Year in accordance with Code Section 417(e), provided that the interest rate shall not be less than 5.25% and shall not be more than 10%.

Plan Changes Since the Prior Year

The funding and plan reporting valuations do not reflect any plan changes.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

The plan sponsor has met all quarterly requirements occurring during calendar year 2019 and has made use of the relief available under the CARES Act and has satisfied the Plan Year 2019 minimum required contribution by January 1, 2021.

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Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2019

Date	Amount	Days to Discount to 1/1/2019 at 5.57%	Days to Discount to 1/1/2019 at 5.40%	Interest Adjusted Contribution
April 15, 2019	\$ 553,088	104	0	\$ 544,611
July 15, 2019	500,003	195	0	485,731
October 15, 2019	500,003	287	0	479,140
January 15, 2020	500,003	379	0	472,641
October 5, 2020	<u>264,119</u>	643	20	<u>240,114</u>
Total Contribution	\$ 2,317,216			\$ 2,222,237

Schedule SB Attachment (Form 5500)—2019 Plan Year
Leonardo DRS, Inc. Pension Value Plan
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Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at beginning of year.

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55	5.00%	1.0000	2.75
56	5.00%	0.9500	2.66
57	5.00%	0.9025	2.57
58	5.00%	0.8574	2.49
59	5.00%	0.8145	2.40
60	5.00%	0.7738	2.32
61	5.00%	0.7351	2.24
62	10.00%	0.6983	4.33
63	10.00%	0.6285	3.96
64	10.00%	0.5657	3.62
65	20.00%	0.5091	6.62
66	20.00%	0.4073	5.38
67	20.00%	0.3258	4.37
68	20.00%	0.2607	3.54
69	20.00%	0.2085	2.88
70	100.00%	0.1668	11.68
Weighted Average			63.81
Rounded to Sch B			64

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Schedule SB, line 4—Additional Information for Plans in At-Risk Status

The at-risk assumption for payment form is, 50% Joint and Survivor Option, the optional payment form that results in the highest present value.

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Schedule SB, Part V—Summary of Plan Provisions

Plan Provisions

Effective Date	October 1, 2001. Most recently amended July 18, 2017.
Eligibility	Former participants of the Boeing Pension Value Plan are eligible to participate as of the Effective Date. No new entrants are allowed into plan after October 1, 2001.
Normal Retirement Eligibility	Age 65
Benefit	<p>A monthly amount equal to (1) plus (2) below but not less than (3) and (4).</p> <p>(1) Credit Based Benefit</p> <p>Participant's Credit Based Account balance divided by the Credit Based Annuity Factor and then divided by 12 to determine the monthly benefit.</p> <p>(2) Heritage Benefits</p> <p>Participant's MDC or BNA protected benefits, whichever is applicable, multiplied by the ratio of the indexing pay to the base pay as of the benefit transfer date.</p> <p>(3) Minimum Benefit</p> <p>\$50.00 (\$46.00 for a participant with a protected MDC benefit) per month multiplied by the Participant's Benefit Service.</p> <p>(4) Protected Benefit</p> <p>Participant's MDC or BNA protected benefits, whichever is applicable, as of the benefit transfer date.</p> <p>Effective December 31, 2007, the benefit accruals for all Highly Compensated Employees (HCEs) were frozen. Effective December 31, 2014, the benefit accruals for all participants were frozen.</p>

Early Retirement

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Eligibility	The attainment of age 55 and completion of 10 years of Vesting Service or attainment of age 62.
Benefit	<p>An amount equal to (1) plus (2) below but not less than (3) and (4).</p> <p>(1) Credit Based Benefit</p> <p>Participant's Credit Based Account balance divided by Credit Based Annuity Factor and then divided by 12 to determine the monthly benefit.</p> <p>(2) Heritage Benefits</p> <p>Participant's MDC or BNA protected benefits, whichever is applicable, multiplied by the ratio of the indexing pay to the base pay as of the benefit transfer date.</p> <p>Protected BNA benefit is unreduced for participants whose age plus 85-Point Service equals or exceeds 85 on date of benefit commencement; otherwise, reduced by 0.6% for each month by which benefit commencement precedes age 60.</p> <p>Protected MDC benefit is unreduced for participants attaining age 50 with at least 30 years of MDC 85 Point Service or whose age plus MDC 85 Point Service equals or exceeds 85 at benefit commencement; otherwise, reduced by the lesser of 2.5% for each year by which benefit commencement precedes age 62, or 2.5% for each point (age plus service) less than 85.</p> <p>(3) Minimum Benefit</p> <p>\$50.00 (\$46.00 for a participant with a protected MDC benefit) per month multiplied by the participant's benefit service, reduced by 4% for each year the Early Retirement date precedes the Normal Retirement Date.</p> <p>(4) Protected Benefit</p> <p>Participant's MDC or BNA protected benefits, whichever is applicable, as of the benefit transfer date.</p> <p>Protected BNA benefit is unreduced for participants whose age plus 85-Point Service equals or exceeds 85 on date of benefit commencement;</p>

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otherwise, reduced by 0.6% for each month by which benefit commencement precedes age 60.

Protected MDC benefit is unreduced for participants attaining age 50 with at least 30 years of MDC 85 Point Service or whose age plus MDC 85 Point Service equals or exceeds 85 at benefit commencement; otherwise, reduced by the lesser of 2.5% for each year by which benefit commencement precedes age 62, or 2.5% for each point (age plus service) less than 85.

Protected MDC Benefit based on the MDHC salaried benefit and MDHC hourly benefit, as described in the MDC Plan, shall be reduced by 5% for each year (and a proportional reduction for partial years)

Benefits were frozen as of December 31, 2014.

Vested Retirement
Eligibility

Completion of 5 Years of Vesting Service.

Benefit

The deferred vested pension shall begin on the Participant's Normal Retirement Date and is equal to his accrued benefit at his termination date.

Preretirement Spouse's Benefit
Eligibility

Spouses or designated beneficiaries of active participants who die after becoming vested and spouses or designated beneficiaries of vested terminated participants who die before benefits commence. Qualified election of nonspouse beneficiary is required if participant is married.

Benefit

(1) Death On or After Earliest Commencement Date

The amount of monthly benefit is equal to the amount the spouse would have been entitled to under the 100% Surviving Spouse Option. The benefit is determined as if the participant had retired on the first day of the month following the date of death.

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(2) Death Before Earliest Commencement Date

The amount of benefit under the 50% Surviving Spouse Option determined as follows:

- (a) Participant terminated employment on the Date of Death,
- (b) Survived to the earliest commencement date,
- (c) Commenced receiving benefit payments with the 50% Surviving Spouse Option, and
- (d) Died immediately after commencement.

Temporary Supplement Benefit

(1) 60/15 Supplement

Participants with protected BNA benefits who retire after age 60 with 15 years of 85 Point Service on or before December 1, 2008 are eligible for a supplemental benefit equal to the larger of (a) or (b) plus (c) reduced by (d):

- (a) \$375 per month,
- (b) the Social Security Earnings Limit Offset plus
- (c) the protected BNA benefit as of the transfer date,
- (d) the participant's Early Retirement Benefit as defined above.

(2) 85-Point Service Supplement

Participants with protected BNA benefits who retire after age 55 and whose age plus 85 Point Service equals at least 85 on early retirement date and retire on or before December 1, 2008 are eligible for a supplemental benefit as defined in (i) above but not less than \$1,600.

(3) Minimum Early Retirement Benefit (MERB)

Participants with protected MDC benefits who retire after age 50 with 30 years of service on or before December 1, 2008 are eligible for a supplemental benefit of \$375 per month plus the protected MDC benefit as of the transfer date minus the participant's current Early Retirement Benefit as defined above.

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(4) Supplemental Minimum Early Retirement Benefit (SMERB)

Participants with protected MDC benefits who retire after age 60 with at least 20 years of service but less than 30 years of services and retire on or before December 1, 2008 are eligible for a supplemental benefit of \$375 per month plus the protected MDC benefit as of the transfer date minus the participant's current Early Retirement Benefits defined above plus benefits under the Employee Retirement Income Plan of McDonnell Douglas Corporation Hourly East Plan and the Employee Retirement Income Plan of McDonnell Douglas Corporation-Hourly West Plan, reduced for early retirement pursuant to terms as defined in the prior plans.

All of the above benefits are payable through age 62 and 1 month.

Vesting Service

- (1) Service earned under the Prior Plan immediately prior to the Effective Date, plus
- (2) The number of years and fractions of a year for service beginning after the Effective Date and ends on termination of employment.

Credited Service

The period of Credited Service is determined as (1) plus (2) below:

- (1) Credited Service earned under the Prior Plan immediately prior to the effective date
- (2) A year of service is credited for each year of service beginning after the effective date.

Normal Form of Benefit

Life annuity, if single; 50% joint and survivor annuity, if married

Optional Forms of Benefits Payments

50%, 75% or 100% Joint and Survivor Annuity or any years Certain and Continuous Annuity or Life Annuity or Accelerated Income Option.

Small Pensions

Benefits with an actuarial present value of less than \$1,000 are paid by the Plan committee in the form of a lump sum without the participant's consent.

Credit Based Annuity Factor

The Credit Based Annuity Factor is "11" except as follows:

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For a Vested Terminated Participant who terminated employment on or before age 55, the Factor is "15".

For a Vested Terminated Participant who terminated employment after 55 but before 65, the Factor is "11", plus 1/30 times the number of months that termination occurred before age 65.

Credit Based Account

The Credit Based Account is the cumulative account balance of Benefit Credits and Interest Credits.

Benefit Credits

Applicable percentage defined below times Pensionable Pay:

Age at end of Plan Year	Percentage
Less than 30	3%
30 - 34	4%
35 - 39	5%
40 - 44	7%
45 - 49	9%
50 and over	11%

Interest Credits

The Credit Based Account as of the beginning of the Plan Year times the annual rate of interest on 30-year Treasury securities for the month of November preceding the first day of the Plan Year in accordance with Code Section 417(e), provided that the interest rate shall not be less than 5.25% and shall not be more than 10%.

Plan Changes Since the Prior Year

The funding and plan reporting valuations do not reflect any plan changes.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

The plan sponsor has met all quarterly requirements occurring during calendar year 2019 and has made use of the relief available under the CARES Act and has satisfied the Plan Year 2019 minimum required contribution by January 1, 2021.

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Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	\$ 994,893	January 1, 2016	4	\$ 262,585
Shortfall	\$ 7,226,728	January 1, 2017	5	\$ 1,553,384
Shortfall	\$ 1,227,624	January 1, 2018	6	\$ 226,380
Shortfall	\$ 60,851	January 1, 2019	7	\$ 9,888