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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br>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).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><div style="text-align: center; font-size: 1.2em; font-weight: bold;">2020</div><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                                                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                           |
| For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u> |                                                                                                                                                                                                                                                                                                                                           |
| <b>A</b> This return/report is for:                                                                      | <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br><input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) ____ |
| <b>B</b> This return/report is:                                                                          | <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report<br><input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                     |
| <b>C</b> If the plan is a collectively-bargained plan, check here. . . . .                               | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                  |
| <b>D</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program<br><input type="checkbox"/> special extension (enter description)                                                                                                                                    |

|                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                                  |                                                             |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                                                                                                                                                                                        | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                              |                                                                     |                                                                  |                                                             |  |
| <b>1a</b> Name of plan<br><u>DYNAMICS RESEARCH CORPORATION DEFINED BENEFIT PENSION PLAN</u>                                                                                                                                                                                                                                                                                           | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>002</u></td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan<br/><u>01/01/1980</u></td> </tr> </table>                             | <b>1b</b> Three-digit plan number (PN) ▶                            | <u>002</u>                                                       | <b>1c</b> Effective date of plan<br><u>01/01/1980</u>       |  |
| <b>1b</b> Three-digit plan number (PN) ▶                                                                                                                                                                                                                                                                                                                                              | <u>002</u>                                                                                                                                                                                                                                                                                                                                  |                                                                     |                                                                  |                                                             |  |
| <b>1c</b> Effective date of plan<br><u>01/01/1980</u>                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                                  |                                                             |  |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>SCIENCE APPLICATIONS INTERNATIONAL CORPORATION</u><br><br><u>12010 SUNSET HILLS RD</u><br><u>RESTON, VA 20190</u> | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>2b</b> Employer Identification Number (EIN)<br/><u>46-1932921</u></td> </tr> <tr> <td><b>2c</b> Plan Sponsor's telephone number<br/><u>703-676-4300</u></td> </tr> <tr> <td><b>2d</b> Business code (see instructions)<br/><u>541990</u></td> </tr> </table> | <b>2b</b> Employer Identification Number (EIN)<br><u>46-1932921</u> | <b>2c</b> Plan Sponsor's telephone number<br><u>703-676-4300</u> | <b>2d</b> Business code (see instructions)<br><u>541990</u> |  |
| <b>2b</b> Employer Identification Number (EIN)<br><u>46-1932921</u>                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                                  |                                                             |  |
| <b>2c</b> Plan Sponsor's telephone number<br><u>703-676-4300</u>                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                                  |                                                             |  |
| <b>2d</b> Business code (see instructions)<br><u>541990</u>                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                                  |                                                             |  |

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

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

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/13/2021 | HOLLY SNIDER                                                 |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/13/2021 | PAUL LEHRER                                                  |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |

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

Form 5500 (2020)  
v. 200204

|                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                              |  | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       |  | <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |      |
| <b>4</b> 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:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                                                                                |  | <b>4b</b> EIN<br><br><b>4d</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |      |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                               |  | <b>5</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1138 |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                                      |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |      |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year.....                                                                                                                                                                                                                                                                                                                                                |  | <b>6a(1)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 14   |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                                     |  | <b>6a(2)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 13   |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                                                                                                                                                                                                                                    |  | <b>6b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 503  |
| <b>c</b> Other retired or separated participants entitled to future benefits .....                                                                                                                                                                                                                                                                                                                                                    |  | <b>6c</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 216  |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                                           |  | <b>6d</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 732  |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                                                                                                                                                                            |  | <b>6e</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 68   |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                                               |  | <b>6f</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 800  |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                                                                                       |  | <b>6g</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |      |
| <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                                                                                                                                                                                                                                            |  | <b>6h</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 0    |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                                                                                                                                                                                                                                                   |  | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |      |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>11                                                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |      |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                           |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |      |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                              |  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                         |      |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                                     |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |      |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input checked="" type="checkbox"/> <u>1</u> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |      |

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

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

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

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**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 2020 Form M-1 annual report. If the plan was not required to file the 2020 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 \_\_\_\_\_

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|                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                    |                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <div>SCHEDULE A<br/>(Form 5500)<br/><div>Department of the Treasury<br/>Internal Revenue Service</div><div>Department of Labor<br/>Employee Benefits Security Administration</div><div>Pension Benefit Guaranty Corporation</div></div> | <div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div> | <div>OMB No. 1210-0110</div> <div>2020</div> <div>This Form is Open to Public Inspection</div> |
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|                                                                                                          |                                                      |     |
|----------------------------------------------------------------------------------------------------------|------------------------------------------------------|-----|
| For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020               |                                                      |     |
| A Name of plan<br>DYNAMICS RESEARCH CORPORATION DEFINED BENEFIT PENSION PLAN                             | B Three-digit plan number (PN) ▶                     | 002 |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>SCIENCE APPLICATIONS INTERNATIONAL CORPORATION | D Employer Identification Number (EIN)<br>46-1932921 |     |

|        |                                                                           |                                                                                                                                                                    |
|--------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part I | Information Concerning Insurance Contract Coverage, Fees, and Commissions | Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A. |
|--------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|

1 Coverage Information:

(a) Name of insurance carrier  
PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

| (b) EIN    | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year |            |
|------------|---------------|---------------------------------------|-----------------------------------------------------------------------------|-------------------------|------------|
|            |               |                                       |                                                                             | (f) From                | (g) To     |
| 06-1050034 | 93629         | IN-17498                              | 800                                                                         | 01/01/2020              | 12/31/2020 |

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

|                                      |                               |
|--------------------------------------|-------------------------------|
| (a) Total amount of commissions paid | (b) Total amount of fees paid |
|                                      |                               |

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

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| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

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| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

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**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

|                                                                                                        |          |         |
|--------------------------------------------------------------------------------------------------------|----------|---------|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end ..... | <b>4</b> | 2005476 |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end.....    | <b>5</b> | 0       |

**6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶

|                                                                                                                                                                                                                |           |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--|
| <b>b</b> Premiums paid to carrier .....                                                                                                                                                                        | <b>6b</b> |  |
| <b>c</b> Premiums due but unpaid at the end of the year .....                                                                                                                                                  | <b>6c</b> |  |
| <b>d</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. ....<br>Specify nature of costs ▶ | <b>6d</b> |  |

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity  
(3) ☐ other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee  
(3) ☐ guaranteed investment (4) ☒ other ▶ GUARANTEED GENERAL ACCOUNT CONTRACT

|                                                        |           |         |
|--------------------------------------------------------|-----------|---------|
| <b>b</b> Balance at the end of the previous year ..... | <b>7b</b> | 2645954 |
|--------------------------------------------------------|-----------|---------|

|                                                                       |              |          |  |
|-----------------------------------------------------------------------|--------------|----------|--|
| <b>c</b> Additions: (1) Contributions deposited during the year ..... | <b>7c(1)</b> | 828133   |  |
| (2) Dividends and credits.....                                        | <b>7c(2)</b> | 0        |  |
| (3) Interest credited during the year.....                            | <b>7c(3)</b> | 21118    |  |
| (4) Transferred from separate account.....                            | <b>7c(4)</b> | 0        |  |
| (5) Other (specify below) .....                                       | <b>7c(5)</b> | 10967646 |  |

▶ TRANSFER FROM 871095 PRU CORE PL BD TRNASFER FROM OUTSIDE FUNDS

|                           |              |          |
|---------------------------|--------------|----------|
| (6) Total additions ..... | <b>7c(6)</b> | 11816897 |
|---------------------------|--------------|----------|

|                                                                                       |           |          |
|---------------------------------------------------------------------------------------|-----------|----------|
| <b>d</b> Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) ..... | <b>7d</b> | 14462851 |
|---------------------------------------------------------------------------------------|-----------|----------|

**e** Deductions:

|                                                                           |              |         |  |
|---------------------------------------------------------------------------|--------------|---------|--|
| (1) Disbursed from fund to pay benefits or purchase annuities during year | <b>7e(1)</b> | 5014296 |  |
| (2) Administration charge made by carrier.....                            | <b>7e(2)</b> | 0       |  |
| (3) Transferred to separate account.....                                  | <b>7e(3)</b> | 0       |  |
| (4) Other (specify below) .....                                           | <b>7e(4)</b> | 7443079 |  |

▶ CASH, CONTRACT EXPENSE CHG, PBGC FEE ELECTIVE SERVICE CHG, PYMT PLAN EXP TRANS TO 871095, PRU CORE PL BD

|                            |              |          |
|----------------------------|--------------|----------|
| (5) Total deductions ..... | <b>7e(5)</b> | 12457375 |
|----------------------------|--------------|----------|

|                                                                                                         |           |         |
|---------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>f</b> Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) ..... | <b>7f</b> | 2005476 |
|---------------------------------------------------------------------------------------------------------|-----------|---------|

**Part III Welfare Benefit Contract Information**

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)     
**b** ☐ Dental     
**c** ☐ Vision     
**d** ☐ Life insurance  
**e** ☐ Temporary disability (accident and sickness)     
**f** ☐ Long-term disability     
**g** ☐ Supplemental unemployment     
**h** ☐ Prescription drug  
**i** ☐ Stop loss (large deductible)     
**j** ☐ HMO contract     
**k** ☐ PPO contract     
**l** ☐ Indemnity contract  
**m** ☐ Other (specify) ▶

**9** Experience-rated contracts:

|                                                                                                                                                    |                 |                 |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|--|
| <b>a</b> Premiums: (1) Amount received .....                                                                                                       | <b>9a(1)</b>    |                 |  |
| (2) Increase (decrease) in amount due but unpaid .....                                                                                             | <b>9a(2)</b>    |                 |  |
| (3) Increase (decrease) in unearned premium reserve .....                                                                                          | <b>9a(3)</b>    |                 |  |
| (4) Earned ((1) + (2) - (3)) .....                                                                                                                 |                 | <b>9a(4)</b>    |  |
| <b>b</b> Benefit charges (1) Claims paid .....                                                                                                     | <b>9b(1)</b>    |                 |  |
| (2) Increase (decrease) in claim reserves .....                                                                                                    | <b>9b(2)</b>    |                 |  |
| (3) Incurred claims (add (1) and (2)) .....                                                                                                        |                 | <b>9b(3)</b>    |  |
| (4) Claims charged .....                                                                                                                           |                 | <b>9b(4)</b>    |  |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --                                                                      |                 |                 |  |
| (A) Commissions .....                                                                                                                              | <b>9c(1)(A)</b> |                 |  |
| (B) Administrative service or other fees .....                                                                                                     | <b>9c(1)(B)</b> |                 |  |
| (C) Other specific acquisition costs .....                                                                                                         | <b>9c(1)(C)</b> |                 |  |
| (D) Other expenses .....                                                                                                                           | <b>9c(1)(D)</b> |                 |  |
| (E) Taxes .....                                                                                                                                    | <b>9c(1)(E)</b> |                 |  |
| (F) Charges for risks or other contingencies .....                                                                                                 | <b>9c(1)(F)</b> |                 |  |
| (G) Other retention charges .....                                                                                                                  | <b>9c(1)(G)</b> |                 |  |
| (H) Total retention .....                                                                                                                          |                 | <b>9c(1)(H)</b> |  |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.) ..... |                 | <b>9c(2)</b>    |  |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement .....                                |                 | <b>9d(1)</b>    |  |
| (2) Claim reserves .....                                                                                                                           |                 | <b>9d(2)</b>    |  |
| (3) Other reserves .....                                                                                                                           |                 | <b>9d(3)</b>    |  |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).) .....                                           |                 | <b>9e</b>       |  |

**10** Nonexperience-rated contracts:

|                                                                                                                                                                                                                                                             |            |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Total premiums or subscription charges paid to carrier .....                                                                                                                                                                                       | <b>10a</b> |  |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. ....<br>Specify nature of costs. | <b>10b</b> |  |

**Part IV Provision of Information**

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ..... ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

|                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                   |                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <div>SCHEDULE SB<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div> | <div>Single-Employer Defined Benefit Plan<br/>Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div> | <div>OMB No. 1210-0110</div> <div>2020</div> <div>This Form is Open to Public Inspection</div> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|

|                                                                                                                         |            |            |            |
|-------------------------------------------------------------------------------------------------------------------------|------------|------------|------------|
| For calendar plan year 2020 or fiscal plan year beginning                                                               | 01/01/2020 | and ending | 12/31/2020 |
| ▶ 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<br>DYNAMICS RESEARCH CORPORATION DEFINED BENEFIT PENSION PLAN                                                       |  | B Three-digit plan number (PN) ▶                                                                                                                 | 002 |
| C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br>SCIENCE APPLICATIONS INTERNATIONAL CORPORATION                |  | D Employer Identification Number (EIN)<br>46-1932921                                                                                             |     |
| E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B |  | F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |     |

|                                                                                                                                                                                                         |                            |                           |                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------|--------------------------|
| Part I Basic Information                                                                                                                                                                                |                            |                           |                          |
| 1 Enter the valuation date: Month 01 Day 01 Year 2020                                                                                                                                                   |                            |                           |                          |
| 2 Assets:                                                                                                                                                                                               |                            |                           |                          |
| a Market value .....                                                                                                                                                                                    |                            | 2a                        | 53950598                 |
| b Actuarial value .....                                                                                                                                                                                 |                            | 2b                        | 51599072                 |
| 3 Funding target/participant count breakdown                                                                                                                                                            | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
| a For retired participants and beneficiaries receiving payment.....                                                                                                                                     | 893                        | 49527773                  | 49527773                 |
| b For terminated vested participants.....                                                                                                                                                               | 231                        | 12090357                  | 12090357                 |
| c For active participants .....                                                                                                                                                                         | 14                         | 420580                    | 421194                   |
| d Total.....                                                                                                                                                                                            | 1138                       | 62038710                  | 62039324                 |
| 4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>                                                                                          |                            |                           |                          |
| a Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                      |                            | 4a                        |                          |
| b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor..... |                            | 4b                        |                          |
| 5 Effective interest rate .....                                                                                                                                                                         | 5                          | 5.22 %                    |                          |
| 6 Target normal cost.....                                                                                                                                                                               | 6                          | 850000                    |                          |

**Statement by Enrolled Actuary**

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

|                          |                                                                                                                                                                                                                                                              |                                                                                                                                                                              |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <div>SIGN<br/>HERE</div> | <div>Signature of actuary</div> <div>MICHAEL J. GRENIER, ASA, EA</div> <div>Type or print name of actuary</div> <div>PRIAC</div> <div>Firm name</div> <div>280 TRUMBULL STREET<br/>P.O. BOX 2975<br/>HARTFORD, CT 06103</div> <div>Address of the firm</div> | <div>09/16/2021</div> <div>Date</div> <div>20-05523</div> <div>Most recent enrollment number</div> <div>860-534-2695</div> <div>Telephone number (including area code)</div> |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

**Part II Beginning of Year Carryover and Prefunding Balances**

|                                                                                                                                                                      | (a) Carryover balance | (b) Prefunding balance |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                                             | 0                     | 0                      |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                          | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                                                | 0                     | 0                      |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>20.40</u> % .....                                                                                | 0                     | 0                      |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                       |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                                                      |                       | 1551473                |
| <b>b(1)</b> 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>5.37</u> % ..... |                       | 83314                  |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                 |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                                                        |                       | 1634787                |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                                                      |                       | 1634787                |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                                    | 0                     | 0                      |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                         | 0                     | 1634787                |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 80.53 % |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 80.53 % |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 79.21 % |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | <b>17</b> | %       |

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

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 09/24/2020               | 3300000                           |                                 |                          |                                   |                                 |
| 01/29/2021               | 4040000                           |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ▶</b>          |                                   |                                 | <b>18(b)</b>             | 7340000                           | <b>18(c)</b> 0                  |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                         |            |         |
|-------------------------------------------------------------------------------------------------------------------------|------------|---------|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....                    | <b>19a</b> | 0       |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                      | <b>19b</b> | 0       |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | <b>19c</b> | 6999765 |

**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       |

|               |                                                                            |
|---------------|----------------------------------------------------------------------------|
| <b>Part V</b> | <b>Assumptions Used to Determine Funding Target and Target Normal Cost</b> |
|---------------|----------------------------------------------------------------------------|

|                                                                                                                                                                                              |                        |                        |                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|----------------------------------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                        |                        |                                                                            |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>3.64 % | 2nd segment:<br>5.21 % | 3rd segment:<br>5.94 % <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code) .....                                                                                                                                                 |                        |                        | <b>21b</b> 4                                                               |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                        |                        | <b>22</b> 62                                                               |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                        |                        |                                                                            |

|                |                            |
|----------------|----------------------------|
| <b>Part VI</b> | <b>Miscellaneous Items</b> |
|----------------|----------------------------|

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

|                 |                                                                                |
|-----------------|--------------------------------------------------------------------------------|
| <b>Part VII</b> | <b>Reconciliation of Unpaid Minimum Required Contributions For Prior Years</b> |
|-----------------|--------------------------------------------------------------------------------|

|                                                                                                                                      |           |   |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                            | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                    | <b>30</b> | 0 |

|                  |                                                       |
|------------------|-------------------------------------------------------|
| <b>Part VIII</b> | <b>Minimum Required Contribution For Current Year</b> |
|------------------|-------------------------------------------------------|

|                                                                                                                                                                                      |                     |                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                     |                    |               |
| <b>a</b> Target normal cost (line 6) .....                                                                                                                                           | <b>31a</b>          | 850000             |               |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           | <b>31b</b>          | 0                  |               |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance |                    | Installment   |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 12075039            |                    | 1162528       |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   |                    | 0             |
| <b>33</b> 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 ..... | <b>33</b>           |                    |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) .....                                                         | <b>34</b>           | 2012528            |               |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement .....                                                                                                               | 0                   | 0                  | 0             |
| <b>36</b> Additional cash requirement (line 34 minus line 35) .....                                                                                                                  | <b>36</b>           | 2012528            |               |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....                                                  | <b>37</b>           | 6999765            |               |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                     |                    |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       | <b>38a</b>          | 4987237            |               |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                | <b>38b</b>          | 0                  |               |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      | <b>39</b>           | 0                  |               |
| <b>40</b> Unpaid minimum required contributions for all years .....                                                                                                                  | <b>40</b>           | 0                  |               |

|                |                                                                                   |
|----------------|-----------------------------------------------------------------------------------|
| <b>Part IX</b> | <b>Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)</b> |
|----------------|-----------------------------------------------------------------------------------|

|                                                                                  |                                                                                                                         |
|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:  |                                                                                                                         |
| <b>a</b> Schedule elected .....                                                  | <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years                                               |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made ..... | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |

|                                                                                                                                                                                                                     |                                                                                                                                                                                                                        |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE C<br/>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                     |                                                                                                                                                                                                                        | <b>2020</b>                                    |
|                                                                                                                                                                                                                     |                                                                                                                                                                                                                        | <b>This Form is Open to Public Inspection.</b> |

|                                                                                                                 |                                                             |     |
|-----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----|
| For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020                      |                                                             |     |
| <b>A</b> Name of plan<br>DYNAMICS RESEARCH CORPORATION DEFINED BENEFIT PENSION PLAN                             | <b>B</b> Three-digit plan number (PN) ▶                     | 002 |
|                                                                                                                 |                                                             |     |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>SCIENCE APPLICATIONS INTERNATIONAL CORPORATION | <b>D</b> Employer Identification Number (EIN)<br>46-1932921 |     |

|               |                                                        |
|---------------|--------------------------------------------------------|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--------------------------------------------------------|

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>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| PRUDENTIAL RETIREMENT INS & ANNUITY                                                                               |
| 06-1050034                                                                                                        |

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|-------------------------------------------------------------------------------------------------------------------|

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|-------------------------------------------------------------------------------------------------------------------|

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|-------------------------------------------------------------------------------------------------------------------|

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

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

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

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

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

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

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

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**(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)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 15                     | NONE                                                                                              | 85408                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

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

LOCKTON INVESTMENT ADVISORS LLC

20-3247391

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 28 51                  | NONE                                                                                              | 60000                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

PRUDENTIAL TRUST CO

23-6994310

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 28                     | NONE                                                                                              | 20366                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                          |

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

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

MOODY FAMIGLIETTI AND ANDRONICO LLP

04-3077056

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 10 50                  | NONE                                                                                              | 17100                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

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

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

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

**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<br>(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<br>(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<br>(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)

|                    |                                        |                     |              |
|--------------------|----------------------------------------|---------------------|--------------|
| <b>a</b> Name:     | MOODY FAMIGLIETTI & ANDRONICO LLP      | <b>b</b> EIN:       | 04-3077056   |
| <b>c</b> Position: | ACCOUNTANT                             |                     |              |
| <b>d</b> Address:  | 1 HIGHWAY DRIVE<br>TEWKSBURY, MA 01876 | <b>e</b> Telephone: | 978-557-5300 |
|                    |                                        |                     |              |

Explanation: RESIGNED DUTIES

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |
|                    |  |                     |  |

Explanation:

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |
|                    |  |                     |  |

Explanation:

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |
|                    |  |                     |  |

Explanation:

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> 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

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2020</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><u>DYNAMICS RESEARCH CORPORATION DEFINED BENEFIT PENSION PLAN</u>                                                                                                                                                                               | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span>                                                                                                                                                                                                   | <u>002</u>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>SCIENCE APPLICATIONS INTERNATIONAL CORPORATION</u>                                                                                                                                                   | <b>D</b> Employer Identification Number (EIN)<br><u>46-1932921</u>                                                                                                                                                                                                           |                                                                                           |

| Part I                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Asset and Liability Statement |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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               |
| <b>a</b> Total noninterest-bearing cash.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>1a</b> <u>0</u>            |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                               |
| <b>(1)</b> Employer contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1b(1)</b> <u>0</u>         |
| <b>(2)</b> Participant contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1b(2)</b> <u>4040000</u>   |
| <b>(3)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1b(3)</b>                  |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                               |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(1)</b>                  |
| <b>(2)</b> U.S. Government securities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(2)</b>                  |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                               |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b>               |
| <b>(B)</b> All other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(B)</b>               |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                               |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b>               |
| <b>(B)</b> Common .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(4)(B)</b>               |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>                  |
| <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(6)</b>                  |
| <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(7)</b>                  |
| <b>(8)</b> Participant loans .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(8)</b>                  |
| <b>(9)</b> Value of interest in common/collective trusts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1c(9)</b> <u>7945498</u>   |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(10)</b> <u>7109851</u>  |
| <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(11)</b>                 |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(12)</b>                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(13)</b> <u>42666804</u> |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b> <u>41769852</u> |
| <b>(15)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(15)</b> <u>2645954</u>  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(15)</b> <u>2005476</u>  |

|                    |                                                                  | (a) Beginning of Year | (b) End of Year   |
|--------------------|------------------------------------------------------------------|-----------------------|-------------------|
| <b>1d</b>          | Employer-related investments:                                    |                       |                   |
| (1)                | Employer securities.....                                         | <b>1d(1)</b>          |                   |
| (2)                | Employer real property.....                                      | <b>1d(2)</b>          |                   |
| <b>e</b>           | Buildings and other property used in plan operation .....        | <b>1e</b>             |                   |
| <b>f</b>           | Total assets (add all amounts in lines 1a through 1e) .....      | <b>1f</b>             | 53258256 54925179 |
| <b>Liabilities</b> |                                                                  |                       |                   |
| <b>g</b>           | Benefit claims payable .....                                     | <b>1g</b>             |                   |
| <b>h</b>           | Operating payables .....                                         | <b>1h</b>             |                   |
| <b>i</b>           | Acquisition indebtedness.....                                    | <b>1i</b>             |                   |
| <b>j</b>           | Other liabilities.....                                           | <b>1j</b>             |                   |
| <b>k</b>           | Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b>             | 0 0               |
| <b>Net Assets</b>  |                                                                  |                       |                   |
| <b>l</b>           | Net assets (subtract line 1k from line 1f).....                  | <b>1l</b>             | 53258256 54925179 |

**Part II Income and Expense Statement**

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

|               |                                                                                                        | (a) Amount      | (b) Total |
|---------------|--------------------------------------------------------------------------------------------------------|-----------------|-----------|
| <b>Income</b> |                                                                                                        |                 |           |
| <b>a</b>      | <b>Contributions:</b>                                                                                  |                 |           |
| (1)           | Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 8060000   |
|               | <b>(B)</b> Participants .....                                                                          | <b>2a(1)(B)</b> |           |
|               | <b>(C)</b> Others (including rollovers).....                                                           | <b>2a(1)(C)</b> |           |
| (2)           | Noncash contributions .....                                                                            | <b>2a(2)</b>    |           |
| (3)           | Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    | 8060000   |
| <b>b</b>      | <b>Earnings on investments:</b>                                                                        |                 |           |
| (1)           | Interest:                                                                                              |                 |           |
|               | <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit).....    | <b>2b(1)(A)</b> |           |
|               | <b>(B)</b> U.S. Government securities .....                                                            | <b>2b(1)(B)</b> |           |
|               | <b>(C)</b> Corporate debt instruments .....                                                            | <b>2b(1)(C)</b> |           |
|               | <b>(D)</b> Loans (other than to participants) .....                                                    | <b>2b(1)(D)</b> |           |
|               | <b>(E)</b> Participant loans.....                                                                      | <b>2b(1)(E)</b> |           |
|               | <b>(F)</b> Other .....                                                                                 | <b>2b(1)(F)</b> |           |
|               | <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                          | <b>2b(1)(G)</b> | 0         |
| (2)           | Dividends: <b>(A)</b> Preferred stock.....                                                             | <b>2b(2)(A)</b> |           |
|               | <b>(B)</b> Common stock .....                                                                          | <b>2b(2)(B)</b> |           |
|               | <b>(C)</b> Registered investment company shares (e.g. mutual funds).....                               | <b>2b(2)(C)</b> | 788948    |
|               | <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....              | <b>2b(2)(D)</b> | 788948    |
| (3)           | Rents .....                                                                                            | <b>2b(3)</b>    |           |
| (4)           | Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |           |
|               | <b>(B)</b> Aggregate carrying amount (see instructions).....                                           | <b>2b(4)(B)</b> |           |
|               | <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....              | <b>2b(4)(C)</b> | 0         |
| (5)           | Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |           |
|               | <b>(B)</b> Other .....                                                                                 | <b>2b(5)(B)</b> |           |
|               | <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....     | <b>2b(5)(C)</b> | 0         |

|                                                                                                 |        | (a) Amount | (b) Total |
|-------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts.....                               | 2b(6)  |            | 690190    |
| (7) Net investment gain (loss) from pooled separate accounts.....                               | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                      | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities .....                            | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) ..... | 2b(10) |            | 3978393   |
| c Other income .....                                                                            | 2c     |            | 24133     |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....                | 2d     |            | 13541664  |

**Expenses**

|                                                                                     |       |         |          |
|-------------------------------------------------------------------------------------|-------|---------|----------|
| e Benefit payment and payments to provide benefits:                                 |       |         |          |
| (1) Directly to participants or beneficiaries, including direct rollovers.....      | 2e(1) | 5014297 |          |
| (2) To insurance carriers for the provision of benefits .....                       | 2e(2) | 5944699 |          |
| (3) Other.....                                                                      | 2e(3) |         |          |
| (4) Total benefit payments. Add lines 2e(1) through (3) .....                       | 2e(4) |         | 10958996 |
| f Corrective distributions (see instructions) .....                                 | 2f    |         |          |
| g Certain deemed distributions of participant loans (see instructions).....         | 2g    |         |          |
| h Interest expense.....                                                             | 2h    |         |          |
| i Administrative expenses: (1) Professional fees .....                              | 2i(1) |         |          |
| (2) Contract administrator fees .....                                               | 2i(2) |         |          |
| (3) Investment advisory and management fees .....                                   | 2i(3) |         |          |
| (4) Other.....                                                                      | 2i(4) | 915745  |          |
| (5) Total administrative expenses. Add lines 2i(1) through (4) .....                | 2i(5) |         | 915745   |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |         | 11874741 |

**Net Income and Reconciliation**

|                                                          |       |  |         |
|----------------------------------------------------------|-------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | 1666923 |
| 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** Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **MAYER HOFFMAN MCCANN P.C.**

(2) EIN: **43-1947695**

**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.) .....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |

|                                                                                                                                                                                                                                                                                                                                                                                                                      | Yes                 | No                 | Amount  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------|
| <b>b</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.) .....                                                                                                     |                     |                    |         |
| <b>4b</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     | X                  |         |
| <b>c</b> 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.) .....                                                                                                                                                                                                                                 |                     |                    |         |
| <b>4c</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     | X                  |         |
| <b>d</b> 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.) .....                                                                                                                                                                                                                      |                     |                    |         |
| <b>4d</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     | X                  |         |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                                                                                                                                                                                                             | X                   |                    | 1000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                                                                                                                                                                                              |                     | X                  |         |
| <b>4f</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     | X                  |         |
| <b>g</b> 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? .....                                                                                                                                                                                                                                           |                     |                    |         |
| <b>4g</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     | X                  |         |
| <b>h</b> 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? .....                                                                                                                                                                                                                                 |                     |                    |         |
| <b>4h</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     | X                  |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                                                                                                                                                                                                       | X                   |                    |         |
| <b>4i</b>                                                                                                                                                                                                                                                                                                                                                                                                            | X                   |                    |         |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.) .....                                                                                                                                                                                         | X                   |                    |         |
| <b>4j</b>                                                                                                                                                                                                                                                                                                                                                                                                            | X                   |                    |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                                                                                                                                                                                                                  |                     | X                  |         |
| <b>4k</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     | X                  |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                                                                                                                                                                                                   |                     | X                  |         |
| <b>4l</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     | X                  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                                                                                                                                                                                                         |                     | X                  |         |
| <b>4m</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     | X                  |         |
| <b>n</b> 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. ....                                                                                                                                                                                                                             |                     |                    |         |
| <b>4n</b>                                                                                                                                                                                                                                                                                                                                                                                                            |                     |                    |         |
| <b>5a</b> Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.                                                                                                                                  |                     |                    |         |
| <b>5b</b> 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.)                                                                                                                                                                                                         |                     |                    |         |
| <b>5b(1)</b> Name of plan(s)                                                                                                                                                                                                                                                                                                                                                                                         | <b>5b(2)</b> EIN(s) | <b>5b(3)</b> PN(s) |         |
|                                                                                                                                                                                                                                                                                                                                                                                                                      |                     |                    |         |
|                                                                                                                                                                                                                                                                                                                                                                                                                      |                     |                    |         |
|                                                                                                                                                                                                                                                                                                                                                                                                                      |                     |                    |         |
|                                                                                                                                                                                                                                                                                                                                                                                                                      |                     |                    |         |
| <b>5c</b> Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not determined<br>If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year <u>4307416</u> . |                     |                    |         |

|                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>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>2020</div> <div>This Form is Open to Public Inspection.</div> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

|                                                                                                                      |                                                                  |
|----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| <div>A Name of plan<br/>DYNAMICS RESEARCH CORPORATION DEFINED BENEFIT PENSION PLAN</div>                             | <div>B Three-digit plan number (PN) ▶ 002</div>                  |
| <div>C Plan sponsor's name as shown on line 2a of Form 5500<br/>SCIENCE APPLICATIONS INTERNATIONAL CORPORATION</div> | <div>D Employer Identification Number (EIN)<br/>46-1932921</div> |

|        |               |
|--------|---------------|
| 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):<br><br>EIN(s): 22-1211670 |   |     |
| 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 | 307 |

|         |                                                                                                                                                                        |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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)? .....                                                                                                                                                                                                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input checked="" type="checkbox"/> 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 _____<br>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? .....                                                                                                                                                                                                                                                          | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> 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? .....                                                                                 | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input checked="" type="checkbox"/> 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..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input checked="" type="checkbox"/> 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? .....                                                         | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 11 | a Does the ESOP hold any preferred stock? .....                                                                                                                                       | <input type="checkbox"/> Yes | <input type="checkbox"/> 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.) ..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 12 | Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                                  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

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

Schedule R (Form 5500) 2020  
v. 200204

**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): \_\_\_\_\_

|                                                                                                                                                                                                                                                                                                                                 |            |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>14</b> Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:                                                                                                            | <b>14a</b> |  |
| <b>a</b> The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment)..... | <b>14b</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....                                                                                                 | <b>14c</b> |  |
| <b>c</b> The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....                                                                                                                            |            |  |
| <b>15</b> 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:                                                                                                                                          | <b>15a</b> |  |
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year.....                                                                                                                                                                                                                            | <b>15b</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                                                                                                                                                                                                                                                      |            |  |
| <b>16</b> Information with respect to any employers who withdrew from the plan during the preceding plan year:                                                                                                                                                                                                                  | <b>16a</b> |  |
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                                                                                                                                                                                        | <b>16b</b> |  |
| <b>b</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.....                                                                                                                                                           |            |  |
| <b>17</b> 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. .... <input type="checkbox"/>                                                                  |            |  |

**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: 54 % Investment-Grade Debt: 22 % High-Yield Debt: 19 % Real Estate: \_\_\_\_\_ % Other: 5 %
- 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 \_\_\_\_\_



# **Dynamics Research Corporation Defined Benefit Pension Plan**

Financial Statements and  
Supplemental Schedules  
Years Ended December 31, 2020 and 2019



# **Dynamics Research Corporation**

## **Defined Benefit Pension Plan**

### **Content**

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|                                     |            |
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#### **Financial Statements**

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| Statements of Changes in Net Assets Available for Benefits | 6    |
| Notes to Financial Statements                              | 7-17 |

#### **Supplemental Schedules\***

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| Schedule H, line 4i — Schedule of Assets (Held at End of Year) | 19 |
| Schedule H, line 4j — Schedule of Reportable Transactions      | 20 |

\* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



**Mayer Hoffman McCann P.C.**

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## **Independent Auditors' Report**

To the Benefit Plans Committee

**Dynamics Research Corporation Defined Benefit Pension Plan**

### ***Report on the Financial Statements***

We were engaged to audit the accompanying financial statements of Dynamics Research Corporation Defined Benefit Pension Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2020, and the related statement of changes in net assets available for plan benefits for the year 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 audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustees hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained a certification from the trustees as of and for the year ended December 31, 2020, that the information provided to the Plan administrator by the trustees is complete and accurate.



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### ***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 on the 2020 financial statements. Accordingly, we do not express an opinion on the 2020 financial statements referred to in the first paragraph.

### ***Other Matter-Supplemental Schedules***

The supplemental schedules of assets (held at end of year) as of December 31, 2020 and reportable transactions for the year ended December 31, 2020 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not required parts of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

The form and content of the information included in the 2020 financial statements and supplemental schedules, other than that derived from the information certified by the trustees, 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.

### ***Other Matter-2019 Financial Statements***

The financial statements of the Plan as of December 31, 2019, were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan. Their report, dated October 12, 2020, indicated that (a) because of the significance of the information that they did not audit, they were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustees, were 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.

*Mayer Hoffman McCann P.C.*

San Diego, CA  
October 13, 2021

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Statements of Net Assets Available for Benefits

| <i>December 31,</i>                        | <b>2020</b>                 | 2019                        |
|--------------------------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                              |                             |                             |
| Investments at fair value (see Note 4)     | \$ 48,879,703               | \$ 50,612,302               |
| Investments at contract value (see Note 5) | <u>2,005,476</u>            | <u>2,645,954</u>            |
| Total investments                          | <u>50,885,179</u>           | <u>53,258,256</u>           |
| Receivables:                               |                             |                             |
| Plan Sponsor contributions                 | <u>4,040,000</u>            | <u>1,357,000</u>            |
| Total receivables                          | <u>4,040,000</u>            | <u>1,357,000</u>            |
| Total assets                               | <u>54,925,179</u>           | <u>54,615,256</u>           |
| <b>Net Assets Available for Benefits</b>   | <u><u>\$ 54,925,179</u></u> | <u><u>\$ 54,615,256</u></u> |

*The accompanying notes are an integral part of these financial statements.*

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Statement of Changes in Net Assets Available for Benefits

*Year Ended December 31,*

**2020**

**Additions to Net Assets:**

|                                               |                   |
|-----------------------------------------------|-------------------|
| Investment income                             |                   |
| Net appreciation in fair value of investments | \$ 4,668,583      |
| Dividend income                               | 788,948           |
| Total investment income, net                  | <u>5,457,531</u>  |
| Premium refund                                | 24,133            |
| Contributions                                 |                   |
| Plan Sponsor                                  | <u>6,703,000</u>  |
| Total additions                               | <u>12,184,664</u> |

**Deductions from Net Assets:**

|                         |                   |
|-------------------------|-------------------|
| Benefit payments        |                   |
| Insurance carrier       | 5,944,699         |
| Participants            | 5,014,297         |
| Total benefit payments  | <u>10,958,996</u> |
| Administrative expenses | <u>915,745</u>    |
| Total deductions        | <u>11,874,741</u> |

|                                                          |                       |
|----------------------------------------------------------|-----------------------|
| <b>Net Increase in Net Assets Available for Benefits</b> | <u><u>309,923</u></u> |
|----------------------------------------------------------|-----------------------|

**Net Assets Available for Benefits**

|                   |                             |
|-------------------|-----------------------------|
| Beginning of year | <u>54,615,256</u>           |
| End of year       | <u><u>\$ 54,925,179</u></u> |

*The accompanying notes are an integral part of this financial statement.*

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### (1) Description of the Plan

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

##### *General*

The Plan is a noncontributory defined benefit plan maintained for the purpose of providing retirement benefits to eligible employees of Science Applications International Corporation (the “Plan Sponsor”). The Plan Sponsor was formerly Dynamics Research Corporation, which merged with Engility Corporation effective December 31, 2017. Engility Corporation was then acquired by Science Applications International Corporation (“SAIC”), effective January 14, 2019. SAIC became the Plan Sponsor on the effective date of the acquisition.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The SAIC Benefit Plans Committee (the “Committee”) is the Plan’s named fiduciary for purposes of Section 402(a) of ERISA. The Committee determines the appropriateness of the Plan’s investment offerings and monitors investment performance.

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

##### *COVID-19*

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 declared the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. This pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and instability in financial markets. As a result, there has been heightened market risk and the Plan’s investment portfolio has incurred significant volatility in fair value since December 31, 2020. Because the values of the Plan’s individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, and the related impact on the Plan’s liquidity cannot be determined at this time.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### *COVID-19, cont'd*

The value of the Plan's investments has a direct impact on its funded status. As a result of such volatility in market value and possible changes to the actuarial assumptions used in determining the present value of accumulated plan benefits, the Plan Sponsor may need to make greater cash contributions to fund the Plan. As a result of the Plan's funded percentage, there is a potential for certain benefit limitations to be imposed. However, the actual impact, if any, on future required contributions, Plan liquidity, and benefit limitations cannot be determined at this time.

Additionally, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was enacted to amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic.

The Plan has been operationally amended to implement certain changes permitted by the above law changes.

#### *Eligibility*

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

#### *Funding policy*

The Plan's funding policy is for the Plan Sponsor to contribute an amount which will meet or exceed the annual ERISA minimum funding requirement as determined by the Plan's independent actuary. For 2020, the Plan Sponsor made contributions of \$6,703,000 to the Plan. The Company's contributions for 2020 met the minimum funding requirements of ERISA.

#### *Vesting*

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

#### *Pension benefits*

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

- 0.6833% of average annual compensation plus 0.65% of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

---

#### *Pension benefits, cont'd*

- the benefit accrued as of December 31, 1987 under the former plans;
- \$60 multiplied by years of benefit service.

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

## **(2) Summary of Significant Accounting Policies**

#### *Basis of accounting*

The financial statements of the Plan are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

#### *Use of estimates*

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

#### *Investment valuation and income recognition*

Investments are reported at fair value, except for the Plan's contract with an insurance entity, which is reported at contract value (see Note 5). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, trustees and insurance entity. See Note 4 for further discussion of fair value measurements.

Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and administrative expenses charged by the contract issuer. Funds under the contract that have been allocated and applied to purchase annuities (that is, the contract issuer is obligated to pay the related pension benefits) are excluded from the Plan's assets.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### *Investment valuation and income recognition, cont'd*

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

#### *Payment of benefits*

Benefits are recorded when paid.

#### *Administrative expenses*

The Plan's expenses are paid either by the Plan or the Plan Sponsor, as provided by the Plan document. Expenses that are paid directly by the Plan Sponsor 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. In addition, certain investment related expenses are included in net appreciation of fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

#### *Plan termination*

Although it has not expressed any intention to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event the Plan terminates, the rights of all Participants to benefits will become nonforfeitable to the extent funded or as guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a United States government agency. The priorities for determining the allocation of Plan assets would be governed by ERISA and regulations issued by the PBGC. Prudential Bank & Trust, FSB and Prudential Trust Company, the Plan trustees, will make distributions to the Participants or their beneficiaries in accordance with the instructions of the Committee, or in the absence of such instructions, as the trustees deem advisable.

#### *New accounting pronouncement*

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, *Fair Value Measurement – Disclosure Framework (Topic 820)*. The updated guidance improves the disclosure requirements on fair value measurements. The updated guidance is effective for fiscal years beginning after December 15, 2019. The Plan adopted ASU 2018-13 in 2020 which did not have a material impact on the Plan's financial statements.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### **(3) Information Certified by the Plan's Trustees (Unaudited)**

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan, have certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate with respect to investments:

- Investments at fair value
- Net appreciation in fair value of investments
- Interest and dividends
- Schedule of assets (held at end of year)
- Schedule of reportable transactions

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

#### **(4) Fair Value Measurement**

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

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (4) Fair Value Measurements, Cont'd

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

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

*Collective trust:* Valued at the NAV of units of the collective trust. The NAV, as provided by the trustees, 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 trust less its liabilities. This practical expedient is not used when it is determined to be probable that the trust will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the issuer reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following tables set forth the Plan's investments as of December 31, 2020 and 2019:

#### *December 31, 2020*

|                                                  | Level 1       | Level 2 | Level 3 | Total         |
|--------------------------------------------------|---------------|---------|---------|---------------|
| Mutual funds                                     | \$ 41,769,852 | \$ -    | \$ -    | \$ 41,769,852 |
| Total investments in fair value hierarchy        | \$ 41,769,852 | \$ -    | \$ -    | \$ 41,769,852 |
| Investments measured at NAV practical expedient* |               |         |         | 7,109,851     |
| Total investments at fair value                  |               |         |         | \$ 48,879,703 |

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (4) Fair Value Measurements, Cont'd

*December 31, 2019*

|                                                  | Level 1       | Level 2 | Level 3 | Total         |
|--------------------------------------------------|---------------|---------|---------|---------------|
| Mutual funds                                     | \$ 42,666,804 | \$ -    | \$ -    | \$ 42,666,804 |
| Total investments in fair value hierarchy        | \$ 42,666,804 | \$ -    | \$ -    | \$ 42,666,804 |
| Investments measured at NAV practical expedient* |               |         |         | 7,945,498     |
| Total investments at fair value                  |               |         |         | \$ 50,612,302 |

\* Certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

*Investments measured using the NAV per share practical expedient*

The following tables summarize investments for which fair value is based on NAV per share practical expedient as of December 31, 2020 and 2019.

| Investment                      | Fair Value   | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|---------------------------------|--------------|----------------------|----------------------|--------------------------|
| <b><i>December 31, 2020</i></b> |              |                      |                      |                          |
| Collective trust                | \$ 7,109,851 | None                 | Daily                | 1 Day                    |
| <b><i>December 31, 2019</i></b> |              |                      |                      |                          |
| Collective trust                | \$ 7,945,498 | None                 | Daily                | 1 Day                    |

#### (5) Contract with Insurance Company

During 2017, the Plan entered into a deposit administration contract with Prudential Retirement Insurance and Annuity Company ("PRIAC"). Amounts contributed to the contract are merged with the general assets of PRIAC and earn a guaranteed crediting rate, as defined, which is established on an annual basis by PRIAC but may not be less than 1.50%. At the direction of the Plan, a single premium to buy an annuity for a retiring employee is withdrawn by PRIAC from the unallocated fund. Purchased annuities are contracts under which PRIAC is obligated to pay benefits to named employees or their beneficiaries. Payment obligations and the fulfillment of any guarantees specified in the group annuity contract are insurance claims supported by the assets in the investment. If such assets are not sufficient, payment is supported by the full faith and credit of PRIAC, for which the Plan Sponsor is obligated to make a contribution in the amount of the insufficiency.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### **(5) Contract with Insurance Company, Cont'd**

In the event of termination of the contract, the Plan's trustee may elect to receive (i) a payment of book value of the contract, as defined, which may be payable over a period of up to five years, (ii) a single sum payment, which may be adjusted to reflect the market value of the contract, as defined, or (iii) a payment of book value, as defined, in annual installments over a period of ten years.

#### **(6) Accumulated Plan Benefits**

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

Benefits under the Plan are accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits. The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The actuarial present value of accumulated plan benefits is presented based on an end-of-year benefit information date.

The significant actuarial assumptions used in the December 31, 2020 and 2019 valuations are (a) life expectancy of participants, (b) retirement age assumptions, and (c) investment return. The significant actuarial assumptions used in the December 31, 2020 and 2019 valuations are as follows:

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (6) Accumulated Plan Benefits, Cont'd

|                       | 2020                                                                                                                                                                                                             | 2019                                                                                                                                                                                                      |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investment return     | 7.00% compounded annually                                                                                                                                                                                        | 7.00% compounded annually                                                                                                                                                                                 |
| Mortality table       | Pri-2012 Private Retirement Plans Mortality Tables with separate rates for males and females using scale MP-2019, and also including separate mortality tables for primary retirees and surviving beneficiaries. | RP-2014 Mortality Tables with separate rates for males and females with generational projection back to 2006 using scale MP-2014 and then projected forward generationally from 2006 using scale MP-2018. |
| Normal retirement age | It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%.                                                                                            | It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%.                                                                                     |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2020 and 2019. Had the valuations been performed as of December 31, there would be no material differences.

During 2020, the actuarial assumptions were changed to better reflect expected plan experience. During 2020, the ASC 960 mortality assumption was changed from the RP-2014 Adjusted to 2006 Total Dataset Mortality Table with projection scale MP-2018 to the Pri-2012 Total Dataset Employee/Retiree Amount Weighted Mortality Table with projection scale MP-2019.

The actuarial present value of accumulated Plan benefits as of December 31, 2020 and 2019 is as follows:

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (6) Accumulated Plan Benefits, Cont'd

|                                                            | 2020          | 2019          |
|------------------------------------------------------------|---------------|---------------|
| Accumulated Plan benefits                                  |               |               |
| Actuarial present value of vested benefits:                |               |               |
| Participants currently receiving payments                  | \$ 42,797,681 | \$ 43,879,378 |
| Participants with deferred payments                        | 10,024,828    | 10,879,202    |
| Active participants                                        | 350,689       | 481,383       |
| Total vested benefits                                      | 53,173,198    | 55,239,963    |
| Actuarial present value of non-vested benefits             | 641           | 2,817         |
| Total actuarial present value of accumulated Plan benefits | \$ 53,173,839 | \$ 55,242,780 |

The changes in actuarial present value of the Plan's accumulated Plan benefits are as follows:

|                                                                          | 2020          |
|--------------------------------------------------------------------------|---------------|
| Actuarial present value of accumulated Plan benefits – beginning of year | \$ 55,242,780 |
| Increase (decrease) during the year attributable to:                     |               |
| Benefits paid                                                            | (4,972,008)   |
| Interest                                                                 | 3,678,473     |
| Benefits accumulated and actuarial (gain)/loss                           | (27,742)      |
| Assumption changes                                                       | (747,664)     |
| Actuarial present value of accumulated Plan benefits – end of year       | \$ 53,173,839 |

#### (7) Party-In-Interest Transactions

Certain Plan investments are managed by Prudential Bank & Trust, FSB and Prudential Trust Company, trustees of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than direct payment, in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2020. During the year ended December 31, 2020, the Plan made direct payments to the Plan's recordkeeper, advisor and predecessor auditor in the aggregate amount of \$182,874, which was not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

#### (8) Risk and Uncertainties

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

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (8) Risks and Uncertainties, Cont'd

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

#### (9) Tax Status

The Internal Revenue Service (“IRS”) has determined and informed the Company by letter dated September 24, 2015, that the Plan and the related trust are designed in accordance with the applicable sections of the Internal Revenue Code (“IRC”). The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires management of the Plan to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator believes it has no uncertain tax positions as of December 31, 2020 and 2019 and for the year ended December 31, 2020. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

#### (10) Reconciliation of the Financial Statements to Schedule H of Form 5500

Net assets available for benefits, as reported in the financial statements at December 31, 2020, are consistent with amounts reported in Schedule H of the Form 5500.

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2019 to amounts reported in Schedule H of the Form 5500:

|                                                                | <b>2019</b>   |
|----------------------------------------------------------------|---------------|
| Net assets available for benefits per the financial statements | \$ 54,615,256 |
| Less employer contributions receivable at December 31, 2019    | (1,357,000)   |
| Net assets available for benefits per Form 5500                | \$ 53,258,256 |

#### (11) Subsequent Events

The Plan has evaluated subsequent events through October 13, 2021, which is the date the financial statements were available to be issued. No significant matters were identified for disclosure during this evaluation.

# **Dynamics Research Corporation Defined Benefit Pension Plan**

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**Supplemental Schedules**

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

EIN: 46-1932921 Plan: 002

*December 31, 2020*

| (a) | (b)<br>Identity of Issue,<br>Borrower, Lessor or<br>Similar Party | (c)<br>Description of Investment, Including<br>Maturity Date, Rate of Interest, Collateral,<br>Par, or Maturity Value | (d)<br>Cost  | (e)<br>Current<br>Value |
|-----|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------|-------------------------|
|     | Neuberger Berman                                                  | Neuberger Berman Strategic Income I                                                                                   | \$ 7,503,370 | \$ 7,759,227            |
|     | MFS                                                               | MFS Intl Diversification R4                                                                                           | 5,475,604    | 6,790,524               |
|     | Invesco                                                           | Invesco Diversified Dividends R6                                                                                      | 6,248,938    | 6,366,943               |
|     | Pioneer Investments                                               | Pioneer Fundamental Growth Y                                                                                          | 4,845,470    | 6,296,302               |
|     | PIMCO                                                             | PIMCO All-Asset Institutional                                                                                         | 3,900,923    | 4,049,515               |
|     | American Funds                                                    | American Funds New World R6                                                                                           | 2,856,816    | 3,841,349               |
|     | American Beacon                                                   | American Beacon Small Cap Value R6                                                                                    | 3,013,023    | 3,574,729               |
|     | Victory                                                           | Victory Sycamore Established Value I                                                                                  | 2,872,581    | 3,091,263               |
| *   | Prudential                                                        | Prudential Core Plus Bond CIT                                                                                         | 6,726,185    | 7,109,851               |
| *   | PRIAC                                                             | Guaranteed Deposit Account                                                                                            | \$ 2,005,476 | \$ 2,005,476            |

\* Represents a party-in-interest

**Dynamics Research Corporation**  
**Defined Benefit Pension Plan**

**Schedule H, line 4j – Schedule of Reportable Transactions**

EIN: 46-1932921 Plan: 002

*Year Ended December 31, 2020*

| (a)<br>Identity of<br>party<br>Involved | (b)<br>Description of<br>asset (include interest<br>rate and maturity<br>in case of a loan) | (c)<br>Purchase<br>price | (d)<br>Selling<br>price | (g)<br>Cost of<br>asset | (h)<br>Current value<br>of asset<br>on transaction<br>date | (i)<br>Net gain<br>or (loss) |
|-----------------------------------------|---------------------------------------------------------------------------------------------|--------------------------|-------------------------|-------------------------|------------------------------------------------------------|------------------------------|
| Pioneer Investments                     | Pioneer Fundamental Growth Y                                                                | \$ 482,400               | \$ -                    | \$ 482,400              | \$ 482,400                                                 | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 2,082,089            | \$ 1,602,250            | \$ 2,082,089                                               | \$ 479,839                   |
| Neuberger Berman                        | Neuberger Berman Strategic Income I                                                         | \$ 643,200               | \$ -                    | \$ 643,200              | \$ 643,200                                                 | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 1,940,758            | \$ 1,967,026            | \$ 1,940,758                                               | \$ (26,268)                  |
| * PRIAC                                 | Guaranteed Deposit Account                                                                  | \$ 11,817,841            | \$ -                    | \$ 11,817,841           | \$ 11,817,841                                              | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 12,479,437           | \$ 12,479,437           | \$ 12,479,437                                              | \$ -                         |
|                                         |                                                                                             | <b>\$ 12,943,441</b>     | <b>\$ 16,502,284</b>    | <b>\$ 28,992,154</b>    | <b>\$ 29,445,725</b>                                       | <b>\$ 453,571</b>            |

\* Represents a party-in-interest

**Schedule SB, Line 22 - Description of Weighted Average Retirement Age**

**Dynamics Research Corporation Defined Benefit Pension Plan**

**EIN/PN: 04-2393618/002**

**2020 Plan Year**

| (1)                      | (2)                 | (3)                               | (4) = (2) x (3) | (5) = (1) x (4)                  | (6)                                     |
|--------------------------|---------------------|-----------------------------------|-----------------|----------------------------------|-----------------------------------------|
| <b>Decrement<br/>Age</b> | <b>Participants</b> | <b>Retirement<br/>Probability</b> | <b>Retirees</b> | <b>Age-Weighted<br/>Retirees</b> | <b>Weighted Avg.<br/>Retirement Age</b> |
| 55                       | 1000.0              | 5.0%                              | 50.0            | 2750.0                           |                                         |
| 56                       | 950.0               | 5.0%                              | 47.5            | 2660.0                           |                                         |
| 57                       | 902.5               | 5.0%                              | 45.1            | 2572.1                           |                                         |
| 58                       | 857.4               | 5.0%                              | 42.9            | 2486.4                           |                                         |
| 59                       | 814.5               | 5.0%                              | 40.7            | 2402.8                           |                                         |
| 60                       | 773.8               | 10.0%                             | 77.4            | 4642.7                           |                                         |
| 61                       | 696.4               | 10.0%                             | 69.6            | 4248.1                           |                                         |
| 62                       | 626.8               | 15.0%                             | 94.0            | 5828.9                           |                                         |
| 63                       | 532.7               | 15.0%                             | 79.9            | 5034.5                           |                                         |
| 64                       | 452.8               | 15.0%                             | 67.9            | 4347.2                           |                                         |
| 65                       | 384.9               | 100.0%                            | 384.9           | 25019.2                          |                                         |

|                                                                                          |                                            |   |           |
|------------------------------------------------------------------------------------------|--------------------------------------------|---|-----------|
| <div>Sum of Age-Weighted Retirees</div> <hr/> <div>Participants at First Decrement</div> | <div>61991.8</div> <hr/> <div>1000.0</div> | = | <b>62</b> |
|------------------------------------------------------------------------------------------|--------------------------------------------|---|-----------|

**SECTION VII****ACTUARIAL METHODS**

Under the Actuarial Methods described below, if all current assumptions remain constant and are realized, funding at least the Minimum Required Contribution each year will eventually accumulate sufficient plan assets to cover the Funding Target. Future widening of the interest rate stabilization corridor may extend the time period for the plan to become fully funded.

**Cost Method**

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described under “Actuarial Assumptions” of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

**Target Normal Cost**

The Target Normal Cost is the present value of benefits expected to accrue during the plan year plus an estimate of the expenses to be paid from plan assets during the plan year.

**Funding Target and Funding Shortfall**

The Funding Target is the present value of benefits accrued as of the beginning of the plan year and the Funding Shortfall is the excess of the Funding Target over the Actuarial Value of Assets (reduced by the Credit Balance). The initial Funding Shortfall is amortized over fifteen years.

In subsequent years, the Funding Shortfall less the present value of prior year amortization installments is amortized over fifteen years, and added to any prior year amortization installments.

Segment rates are adjusted as necessary to fall within the specified corridor of the corresponding 25-year average of segment rates for the period ending September 30 of the calendar year preceding the first day of the plan year. The specified corridor is:

| <u>Plan Year</u> | <u>Corridor</u> |
|------------------|-----------------|
| 2020             | 90% - 110%      |
| 2021-2025        | 95% - 105%      |
| 2026             | 90% - 110%      |
| 2027             | 85% - 115%      |
| 2028             | 80% - 120%      |
| 2029             | 75% - 125%      |
| 2030 and later   | 70% - 130%      |

Beginning with the 2021 plan year, the segment rates before applying the corridors are limited by a 5% floor.

The adjustments to fall within the specified corridor of the 25-year average of segment rates apply for determining the minimum required contribution and related funded percentages. They do not apply for determining the maximum tax deductible contribution or certain other situations.

**Sponsor Elections**

Discount Rate: Segment rates, with a 4-month lookback

Mortality Table: Prescribed IRS Static Mortality Table – Separate

ARPA Effective Date: January 1, 2019 for amortization relief & January 1, 2021 for interest rate relief.

**SECTION VII****ACTUARIAL METHODS****At-Risk Determination**

The At-Risk Funding Target is determined by assuming that participants eligible to retire in the current plan year and next 10 plan years retire at the earliest possible date, but not before the end of the plan year. All participants are assumed to elect the optional form resulting in the highest possible present value.

A load is added to the At-Risk Funding Target and At-Risk Target Normal Cost when a plan is At-Risk in at least two years during the preceding four years. The load increases the At-Risk Funding Target by 4% of the Not At-Risk Funding Target plus \$700 per participant, and increases the At-Risk Target Normal Cost by 4% of the Not At-Risk Target Normal Cost.

The Funding Target and Target Normal Cost are calculated by multiplying the Not At-Risk values by 100% minus the Phase-In Percentage, plus the At-Risk values multiplied by the Phase-In Percentage.

**Credit Balance**

The Credit Balance consists of the Carryover Balance from excess contributions prior to the Pension Protection Act (PPA) of 2006, plus the Prefunding Balance from elected excess contributions after the PPA. Balances accumulate with interest and are reduced for amounts applied towards the Minimum Required Contribution, voluntary waivers by the plan sponsor, and compelled waivers to avoid benefit restrictions. The Actuarial Value of Assets is reduced by the Credit Balance to determine certain funded percentages and to determine the Funding Shortfall.

**Asset Valuation Method**

The Actuarial Value of Assets is equal to the Fair Market Value of Assets.

The Actuarial Value of Assets is determined using an annual average of the adjusted Fair Market Value of Assets with the earliest determination 24 months prior to the valuation date. The Fair Market Value of Assets in prior years is adjusted for contributions, benefit payments, expenses and expected earnings (not to exceed the third segment rate).

This is equivalent to the Fair Market Value of Assets, plus two-thirds of the (gain)/loss from the prior year, plus one-third of the (gain)/loss from the second preceding year. The (gain)/loss in each year is the difference between the expected and actual returns on the Fair Market Value of Assets.

The Actuarial Value of Assets is adjusted to be no less than 90% or no more than 110% of the Fair Market Value of Assets, as required by IRC Section 430(g)(3)(B)(iii).

Since the expected earnings assumption cannot exceed the third segment rate, over time, the method may produce an Actuarial Value of Assets slightly below the Fair Market Value of Assets.

The Actuarial Value of Assets for determining the Maximum Tax Deductible Contribution reflects interest rate stabilization rates for discounting contributions and limiting expected earnings.

The Fair Market Value of Assets used for funds invested in the General Account of an Insurance Company is the stated contract value with a market value adjustment factor. This value is an estimate only and not the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year. It does not constitute a final offer by Prudential or a final experience adjustment.

**SECTION VII****ACTUARIAL ASSUMPTIONS**

Below are the actuarial assumptions as of January 1, 2020:

| <b>Discount Rate:</b>          | <b><u>With HATFA</u></b> | <b><u>Without HATFA</u></b> | <b><u>ASC 960</u></b> |
|--------------------------------|--------------------------|-----------------------------|-----------------------|
| Effective Rate                 | 5.22%                    | 3.94%                       | 7.00%                 |
| First Segment – First 5 Years  | 3.64%                    | 2.79%                       | N/A                   |
| Second Segment – Next 15 Years | 5.21%                    | 3.92%                       | N/A                   |
| Third Segment – After 20 Years | 5.94%                    | 4.38%                       | N/A                   |

**Mortality:**

*Funding:* IRS 2020 Static Mortality Table.

*ASC 960:* Pri-2012 Total Dataset Mortality Employee/Retiree Amount Weighted Table with scale MP-2019.

**Termination**

The probabilities that Participants at the ages indicated will terminate within the following year are:

| <u>Age</u> | <u>Rate</u> |
|------------|-------------|
| 20         | 30.0%       |
| 25         | 30.0%       |
| 30         | 20.0%       |
| 35         | 15.0%       |
| 40         | 12.5%       |
| 45         | 10.0%       |
| 50         | 7.5%        |
| 55+        | 0.0%        |

**Retirement***Active Participants*

It is assumed that participants will retire based on the following set of retirement age rates.

| <u>Age</u> | <u>Rate</u> |
|------------|-------------|
| 55-59      | 5.0%        |
| 60-61      | 10.0%       |
| 62-64      | 15.0%       |
| 65         | 100.0%      |

*Vested Terminated Participants* Age 65

**Long Term Investment Return:** 7.00%  
(for ASC960)

## SECTION VII

## ACTUARIAL ASSUMPTIONS

|                            |                                                                                                                                                                                                                                                       |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Estimated Expenses:</b> | An Estimate of administrative expenses expected to be paid from plan assets. For 2020, \$850,000 was used.                                                                                                                                            |
| <b>Form of Payment</b>     | Life annuity.                                                                                                                                                                                                                                         |
| <b>Survivor's Benefit</b>  | It is assumed that husbands are three years older than wives and that 80% of the male Participants and 80% of the female Participants who are or will become eligible for coverage under the Spouse's Benefit will be survived by an eligible Spouse. |

**SECTION IV****SHORTFALL AMORTIZATION**

The prior year amortization values and the development of the amortization for the current plan year are shown below.

**Prior Year Amortization Amounts**

| <u>Plan Year</u> | <u>Installment</u> | <u>Years<br/>Remaining</u> | <u>Present Value</u> |
|------------------|--------------------|----------------------------|----------------------|
| 2019             | \$1,212,774        | 14                         | \$12,622,688         |
| 2018             | 0                  | n/a                        | 0                    |
| 2017             | 0                  | n/a                        | 0                    |
| 2016             | 0                  | n/a                        | 0                    |
| 2015             | 0                  | n/a                        | 0                    |
| 2014             | 0                  | n/a                        | 0                    |
| Total            | <u>\$1,212,774</u> |                            | <u>\$12,622,688</u>  |

**Current Year Amortization**

|                                                          |              |
|----------------------------------------------------------|--------------|
| 1. Exemption from Current Year Amortization              | No           |
| 2. Funding Shortfall to be Amortized                     | \$12,075,039 |
| 3. Present Value of Prior Year Amortization Installments | 12,622,688   |
| 4. Current Year Amortization Base [2 – 3]                | (547,649)    |
| 5. Current Year Amortization Installment                 | (\$50,246)   |

**Net Shortfall Amortization Installment**

|                                                                      |             |
|----------------------------------------------------------------------|-------------|
| 6. Current Year Amortization Installment                             | (\$50,246)  |
| 7. Sum of Prior Year Amortization Installments                       | 1,212,774   |
| 8. Net Shortfall Amortization Installment [6 + 7, not less than \$0] | \$1,162,528 |

|                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                    |                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500 or 5500-SF.</b> | <small>OMB No. 1210-0110</small><br><br><b>2020</b><br><br><b>This Form is Open to Public Inspection</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020

► **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.

|                                                                                                                                           |                                                                                                                                                         |     |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <b>A</b> Name of plan<br>DYNAMICS RESEARCH CORPORATION DEFINED BENEFIT PENSION PLAN                                                       | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span>                                                                              | 002 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br>SCIENCE APPLICATIONS INTERNATIONAL CORPORATION                | <b>D</b> Employer Identification Number (EIN)<br><br>46-1932921                                                                                         |     |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |     |

|                                                                                                                                                                                                                |                                                                                                              |                            |                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------|
| <b>Part I</b>                                                                                                                                                                                                  | <b>Basic Information</b>                                                                                     |                            |                           |
| <b>1</b>                                                                                                                                                                                                       | Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2020</u>                                       |                            |                           |
| <b>2</b>                                                                                                                                                                                                       | Assets:                                                                                                      |                            |                           |
| <b>a</b> Market value .....                                                                                                                                                                                    | <b>2a</b>                                                                                                    | 53,950,598                 |                           |
| <b>b</b> Actuarial value .....                                                                                                                                                                                 | <b>2b</b>                                                                                                    | 51,599,072                 |                           |
| <b>3</b>                                                                                                                                                                                                       | Funding target/participant count breakdown                                                                   | (1) Number of participants | (2) Vested Funding Target |
| <b>a</b> For retired participants and beneficiaries receiving payment.....                                                                                                                                     |                                                                                                              | 893                        | 49,527,773                |
| <b>b</b> For terminated vested participants.....                                                                                                                                                               |                                                                                                              | 231                        | 12,090,357                |
| <b>c</b> For active participants .....                                                                                                                                                                         |                                                                                                              | 14                         | 420,580                   |
| <b>d</b> Total.....                                                                                                                                                                                            |                                                                                                              | 1,138                      | 62,038,710                |
| <b>4</b>                                                                                                                                                                                                       | If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/> |                            |                           |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                      | <b>4a</b>                                                                                                    |                            |                           |
| <b>b</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..... | <b>4b</b>                                                                                                    |                            |                           |
| <b>5</b>                                                                                                                                                                                                       | Effective interest rate .....                                                                                | <b>5</b>                   | 5.22 %                    |
| <b>6</b>                                                                                                                                                                                                       | Target normal cost.....                                                                                      | <b>6</b>                   | 850,000                   |

**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.

|                  |                                                                                                                                                                                                                                                                                   |                                                                                                                                                                         |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SIGN HERE</b> | Michael Grenier<br><small>Signature of actuary</small><br>Michael J. Grenier, ASA, EA<br><small>Type or print name of actuary</small><br><br>PRIAC<br><small>Firm name</small><br>280 Trumbull Street<br>P.O. Box 2975<br>Hartford CT 06103<br><small>Address of the firm</small> | 9/16/2021<br><small>Date</small><br>20-05523<br><small>Most recent enrollment number</small><br>(860) 534-2695<br><small>Telephone number (including area code)</small> |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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) 2020**  
v. 200204

**Part II Beginning of Year Carryover and Prefunding Balances**

|                                                                                                                                                                      | (a) Carryover balance | (b) Prefunding balance |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                                             | 0                     | 0                      |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                          | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                                                | 0                     | 0                      |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>20.40</u> % .....                                                                                | 0                     | 0                      |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                       |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                                                      |                       | 1551473                |
| <b>b(1)</b> 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>5.37</u> % ..... |                       | 83314                  |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                 |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                                                        |                       | 1634787                |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                                                      |                       | 1634787                |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                                    | 0                     | 0                      |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                         | 0                     | 1634787                |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 80.53% |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 80.53% |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 79.21% |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | <b>17</b> | %      |

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

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 09/24/2020               | 3,300,000                         |                                 |                          |                                   |                                 |
| 01/29/2021               | 4,040,000                         |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ►</b>          |                                   |                                 | <b>18(b)</b>             | 7,340,000                         | <b>18(c)</b> 0                  |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                         |            |           |
|-------------------------------------------------------------------------------------------------------------------------|------------|-----------|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....                    | <b>19a</b> | 0         |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                      | <b>19b</b> | 0         |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | <b>19c</b> | 6,999,765 |

**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:  
3.64 %2nd segment:  
5.21 %3rd segment:  
5.94 %☐ N/A, full yield curve used**b** Applicable month (enter code) .....**21b**

4

**22** Weighted average retirement age .....**22**

62

**23** Mortality table(s) (see instructions) ☐ Prescribed - combined☒ Prescribed - separate☐ Substitute**Part VI Miscellaneous Items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... ☒ Yes ☐ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. .... ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. .... ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment. ....**27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years ..... **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... **29** 0**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) ..... **30** 0**Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6) ..... **31a** 850,000**b** Excess assets, if applicable, but not greater than line 31a ..... **31b** 0**32** Amortization installments:**a** Net shortfall amortization installment ..... Outstanding Balance 12,075,039 Installment 1,162,528**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** 0**34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ..... **34** 2,012,528

|                                                                        | Carryover balance | Prefunding balance | Total balance |
|------------------------------------------------------------------------|-------------------|--------------------|---------------|
| <b>35</b> Balances elected for use to offset funding requirement ..... | 0                 | 0                  | 0             |

**36** Additional cash requirement (line 34 minus line 35) ..... **36** 2,012,528**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) ..... **37** 6,999,765**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) ..... **38a** 4,987,237**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, Line 22 - Description of Weighted Average Retirement Age**

**Dynamics Research Corporation Defined Benefit Pension Plan**

**EIN/PN: 04-2393618/002**

**2020 Plan Year**

| (1)                      | (2)                 | (3)                               | (4) = (2) x (3) | (5) = (1) x (4)                  | (6)                                     |
|--------------------------|---------------------|-----------------------------------|-----------------|----------------------------------|-----------------------------------------|
| <b>Decrement<br/>Age</b> | <b>Participants</b> | <b>Retirement<br/>Probability</b> | <b>Retirees</b> | <b>Age-Weighted<br/>Retirees</b> | <b>Weighted Avg.<br/>Retirement Age</b> |
| 55                       | 1000.0              | 5.0%                              | 50.0            | 2750.0                           |                                         |
| 56                       | 950.0               | 5.0%                              | 47.5            | 2660.0                           |                                         |
| 57                       | 902.5               | 5.0%                              | 45.1            | 2572.1                           |                                         |
| 58                       | 857.4               | 5.0%                              | 42.9            | 2486.4                           |                                         |
| 59                       | 814.5               | 5.0%                              | 40.7            | 2402.8                           |                                         |
| 60                       | 773.8               | 10.0%                             | 77.4            | 4642.7                           |                                         |
| 61                       | 696.4               | 10.0%                             | 69.6            | 4248.1                           |                                         |
| 62                       | 626.8               | 15.0%                             | 94.0            | 5828.9                           |                                         |
| 63                       | 532.7               | 15.0%                             | 79.9            | 5034.5                           |                                         |
| 64                       | 452.8               | 15.0%                             | 67.9            | 4347.2                           |                                         |
| 65                       | 384.9               | 100.0%                            | 384.9           | 25019.2                          |                                         |

|                                                                                          |                                            |   |           |
|------------------------------------------------------------------------------------------|--------------------------------------------|---|-----------|
| <div>Sum of Age-Weighted Retirees</div> <hr/> <div>Participants at First Decrement</div> | <div>61991.8</div> <hr/> <div>1000.0</div> | = | <b>62</b> |
|------------------------------------------------------------------------------------------|--------------------------------------------|---|-----------|

## **SECTION I**

## **CHANGES SINCE LAST YEAR'S VALUATION**

### **Changes in Pension Plan Provisions**

No changes in the pension plan provisions were recognized with this actuarial valuation.

### **Legislated Changes**

This report reflects the provisions of The American Rescue Plan Act of 2021 (ARPA) that was enacted on March 11, 2021. January 1, 2019 reflects the effective date for the fresh start amortization relief under ARPA, while the interest rate relief will take effect on January 1, 2021.

This valuation reflects a delay in contribution requirements as allowed under the CARES Act.

### **Changes in Actuarial Assumptions**

The expense load was increased from \$800,000 to \$850,000 to better reflect expected administrative expenses.

The ASC960 mortality table was changed from the RP-2014 Adjusted to 2006 Total Dataset Mortality Table with projection scale MP-2018 to the Pri-2012 Total Dataset Employee/Retiree Amount Weighted Mortality Table with projection scale MP-2019.

### **Changes in Actuarial Methods**

No changes in actuarial methods were recognized with this actuarial valuation.

**SECTION VII****DISTRIBUTION OF ACTIVE PARTICIPANTS BY AGE AND SERVICE****Number of Active Participants as of January 1, 2020 – Distribution by Age and Service**

Active participant counts are shown below.

| Attained<br>Age | Years of Credited Service |            |            |              |              |              |              |              |              |             |              |
|-----------------|---------------------------|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|
|                 | <u>Under 1</u>            | <u>1-4</u> | <u>5-9</u> | <u>10-14</u> | <u>15-19</u> | <u>20-24</u> | <u>25-29</u> | <u>30-34</u> | <u>35-39</u> | <u>40 +</u> | <u>Total</u> |
| Under 25        |                           |            |            |              |              |              |              |              |              |             |              |
| 25-29           |                           |            |            |              |              |              |              |              |              |             |              |
| 30-34           |                           |            |            |              |              |              |              |              |              |             |              |
| 35-39           |                           |            |            |              |              |              |              |              |              |             |              |
| 40-44           |                           | 1          |            |              |              |              |              |              |              |             | 1            |
| 45-49           |                           | 2          |            |              |              |              |              |              |              |             | 2            |
| 50-54           |                           | 1          |            |              |              |              |              |              |              |             | 1            |
| 55-59           |                           | 4          |            |              | 1            |              |              |              |              |             | 5            |
| 60-64           |                           | 2          |            |              | 2            |              |              |              |              |             | 4            |
| 65-69           |                           | 1          |            |              |              |              |              |              |              |             | 1            |
| 70 +            |                           |            |            |              |              |              |              |              |              |             |              |
| Total           |                           | 11         |            |              | 3            |              |              |              |              |             | 14           |

**SECTION IV****SHORTFALL AMORTIZATION**

The prior year amortization values and the development of the amortization for the current plan year are shown below.

**Prior Year Amortization Amounts**

| <u>Plan Year</u> | <u>Installment</u> | <u>Years<br/>Remaining</u> | <u>Present Value</u> |
|------------------|--------------------|----------------------------|----------------------|
| 2019             | \$1,212,774        | 14                         | \$12,622,688         |
| 2018             | 0                  | n/a                        | 0                    |
| 2017             | 0                  | n/a                        | 0                    |
| 2016             | 0                  | n/a                        | 0                    |
| 2015             | 0                  | n/a                        | 0                    |
| 2014             | 0                  | n/a                        | 0                    |
| Total            | <u>\$1,212,774</u> |                            | <u>\$12,622,688</u>  |

**Current Year Amortization**

|                                                          |              |
|----------------------------------------------------------|--------------|
| 1. Exemption from Current Year Amortization              | No           |
| 2. Funding Shortfall to be Amortized                     | \$12,075,039 |
| 3. Present Value of Prior Year Amortization Installments | 12,622,688   |
| 4. Current Year Amortization Base [2 – 3]                | (547,649)    |
| 5. Current Year Amortization Installment                 | (\$50,246)   |

**Net Shortfall Amortization Installment**

|                                                                      |             |
|----------------------------------------------------------------------|-------------|
| 6. Current Year Amortization Installment                             | (\$50,246)  |
| 7. Sum of Prior Year Amortization Installments                       | 1,212,774   |
| 8. Net Shortfall Amortization Installment [6 + 7, not less than \$0] | \$1,162,528 |

**SECTION VII****ACTUARIAL METHODS**

Under the Actuarial Methods described below, if all current assumptions remain constant and are realized, funding at least the Minimum Required Contribution each year will eventually accumulate sufficient plan assets to cover the Funding Target. Future widening of the interest rate stabilization corridor may extend the time period for the plan to become fully funded.

**Cost Method**

Costs have been computed in accordance with the Unit Credit Actuarial Cost Method and reflect the actuarial assumptions described under “Actuarial Assumptions” of this report as provided under the applicable regulations of the Pension Protection Act of 2006.

**Target Normal Cost**

The Target Normal Cost is the present value of benefits expected to accrue during the plan year plus an estimate of the expenses to be paid from plan assets during the plan year.

**Funding Target and Funding Shortfall**

The Funding Target is the present value of benefits accrued as of the beginning of the plan year and the Funding Shortfall is the excess of the Funding Target over the Actuarial Value of Assets (reduced by the Credit Balance). The initial Funding Shortfall is amortized over fifteen years.

In subsequent years, the Funding Shortfall less the present value of prior year amortization installments is amortized over fifteen years, and added to any prior year amortization installments.

Segment rates are adjusted as necessary to fall within the specified corridor of the corresponding 25-year average of segment rates for the period ending September 30 of the calendar year preceding the first day of the plan year. The specified corridor is:

| <u>Plan Year</u> | <u>Corridor</u> |
|------------------|-----------------|
| 2020             | 90% - 110%      |
| 2021-2025        | 95% - 105%      |
| 2026             | 90% - 110%      |
| 2027             | 85% - 115%      |
| 2028             | 80% - 120%      |
| 2029             | 75% - 125%      |
| 2030 and later   | 70% - 130%      |

Beginning with the 2021 plan year, the segment rates before applying the corridors are limited by a 5% floor.

The adjustments to fall within the specified corridor of the 25-year average of segment rates apply for determining the minimum required contribution and related funded percentages. They do not apply for determining the maximum tax deductible contribution or certain other situations.

**Sponsor Elections**

Discount Rate: Segment rates, with a 4-month lookback

Mortality Table: Prescribed IRS Static Mortality Table – Separate

ARPA Effective Date: January 1, 2019 for amortization relief & January 1, 2021 for interest rate relief.

**SECTION VII****ACTUARIAL METHODS****At-Risk Determination**

The At-Risk Funding Target is determined by assuming that participants eligible to retire in the current plan year and next 10 plan years retire at the earliest possible date, but not before the end of the plan year. All participants are assumed to elect the optional form resulting in the highest possible present value.

A load is added to the At-Risk Funding Target and At-Risk Target Normal Cost when a plan is At-Risk in at least two years during the preceding four years. The load increases the At-Risk Funding Target by 4% of the Not At-Risk Funding Target plus \$700 per participant, and increases the At-Risk Target Normal Cost by 4% of the Not At-Risk Target Normal Cost.

The Funding Target and Target Normal Cost are calculated by multiplying the Not At-Risk values by 100% minus the Phase-In Percentage, plus the At-Risk values multiplied by the Phase-In Percentage.

**Credit Balance**

The Credit Balance consists of the Carryover Balance from excess contributions prior to the Pension Protection Act (PPA) of 2006, plus the Prefunding Balance from elected excess contributions after the PPA. Balances accumulate with interest and are reduced for amounts applied towards the Minimum Required Contribution, voluntary waivers by the plan sponsor, and compelled waivers to avoid benefit restrictions. The Actuarial Value of Assets is reduced by the Credit Balance to determine certain funded percentages and to determine the Funding Shortfall.

**Asset Valuation Method**

The Actuarial Value of Assets is equal to the Fair Market Value of Assets.

The Actuarial Value of Assets is determined using an annual average of the adjusted Fair Market Value of Assets with the earliest determination 24 months prior to the valuation date. The Fair Market Value of Assets in prior years is adjusted for contributions, benefit payments, expenses and expected earnings (not to exceed the third segment rate).

This is equivalent to the Fair Market Value of Assets, plus two-thirds of the (gain)/loss from the prior year, plus one-third of the (gain)/loss from the second preceding year. The (gain)/loss in each year is the difference between the expected and actual returns on the Fair Market Value of Assets.

The Actuarial Value of Assets is adjusted to be no less than 90% or no more than 110% of the Fair Market Value of Assets, as required by IRC Section 430(g)(3)(B)(iii).

Since the expected earnings assumption cannot exceed the third segment rate, over time, the method may produce an Actuarial Value of Assets slightly below the Fair Market Value of Assets.

The Actuarial Value of Assets for determining the Maximum Tax Deductible Contribution reflects interest rate stabilization rates for discounting contributions and limiting expected earnings.

The Fair Market Value of Assets used for funds invested in the General Account of an Insurance Company is the stated contract value with a market value adjustment factor. This value is an estimate only and not the precise calculation which would be done at contract discontinuance or to measure the impact of excess withdrawals in any calendar year. It does not constitute a final offer by Prudential or a final experience adjustment.

**SECTION VII****ACTUARIAL ASSUMPTIONS**

Below are the actuarial assumptions as of January 1, 2020:

| <b>Discount Rate:</b>          | <b><u>With HATFA</u></b> | <b><u>Without HATFA</u></b> | <b><u>ASC 960</u></b> |
|--------------------------------|--------------------------|-----------------------------|-----------------------|
| Effective Rate                 | 5.22%                    | 3.94%                       | 7.00%                 |
| First Segment – First 5 Years  | 3.64%                    | 2.79%                       | N/A                   |
| Second Segment – Next 15 Years | 5.21%                    | 3.92%                       | N/A                   |
| Third Segment – After 20 Years | 5.94%                    | 4.38%                       | N/A                   |

**Mortality:**

*Funding:* IRS 2020 Static Mortality Table.

*ASC 960:* Pri-2012 Total Dataset Mortality Employee/Retiree Amount Weighted Table with scale MP-2019.

**Termination**

The probabilities that Participants at the ages indicated will terminate within the following year are:

| <u>Age</u> | <u>Rate</u> |
|------------|-------------|
| 20         | 30.0%       |
| 25         | 30.0%       |
| 30         | 20.0%       |
| 35         | 15.0%       |
| 40         | 12.5%       |
| 45         | 10.0%       |
| 50         | 7.5%        |
| 55+        | 0.0%        |

**Retirement***Active Participants*

It is assumed that participants will retire based on the following set of retirement age rates.

| <u>Age</u> | <u>Rate</u> |
|------------|-------------|
| 55-59      | 5.0%        |
| 60-61      | 10.0%       |
| 62-64      | 15.0%       |
| 65         | 100.0%      |

*Vested Terminated Participants* Age 65

**Long Term Investment Return:** 7.00%  
(for ASC960)

## SECTION VII

## ACTUARIAL ASSUMPTIONS

|                            |                                                                                                                                                                                                                                                       |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Estimated Expenses:</b> | An Estimate of administrative expenses expected to be paid from plan assets. For 2020, \$850,000 was used.                                                                                                                                            |
| <b>Form of Payment</b>     | Life annuity.                                                                                                                                                                                                                                         |
| <b>Survivor's Benefit</b>  | It is assumed that husbands are three years older than wives and that 80% of the male Participants and 80% of the female Participants who are or will become eligible for coverage under the Spouse's Benefit will be survived by an eligible Spouse. |

**SECTION VII****PLAN PROVISIONS**

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>EIN/PN</b>                               | 04-2393618/002                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Participation Eligibility</b>            | <p>Employees classified as staff and service employees will become participants on the first day of the month following the completion of one year of service and at least 1,000 hours.</p> <p>Plan participation is frozen to new hires after June 30, 2002.</p>                                                                                                                                                                                                                                        |
| <b>Normal Form of Annuity</b>               | Life Annuity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Normal Retirement Date</b>               | The first day of the month coinciding with or next following the Participant's 65 <sup>th</sup> birthday                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Vesting Schedule</b>                     | Five years of Service.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Vested Benefit</b>                       | Retirement benefit accrued to date of termination and payable at Normal Retirement Date.                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Social Security Covered Compensation</b> | The annual average of the Social Security taxable wage bases in effect for each calendar year during the 35 year period ending with the last day of the calendar year in which the participant attains Social Security Retirement Age.                                                                                                                                                                                                                                                                   |
| <b>Benefit</b>                              | <p>The normal monthly retirement benefit of a participant payable in the normal form is the greatest of one-twelfth of (a), (b) and (c):</p> <p>(a) .6833 percent of average annual compensation plus .650 percent of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;</p> <p>(b) the benefit accrued as of December 31, 1987 under the former plans, and</p> <p>(c) \$60 multiplied by years of benefit service</p> |
| <b>Early Eligibility</b>                    | Attainment of age 55 and 10 years of Service.                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Early Benefit Amount</b>                 | An annual benefit payable prior to Normal Retirement, but on or after the Early Retirement Eligibility Date. If the benefits commence prior to age 65, the accrued benefit shall be reduced by 5/9ths of 1.0% for each of the first 60 months and by 5/18ths of 1.0% for each month in excess of 60 that the benefit commencement date precedes Normal Retirement Date.                                                                                                                                  |

**SECTION VII****PLAN PROVISIONS****Preretirement Death Benefit***Eligibility*

An active or terminated vested participant who has completed five or more years of vesting service and was married at death.

*Benefit Formula*

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

- (a) survived to the earliest retirement date,
- (b) retired and elected to be paid in the form of a joint annuity with 100 percent to the surviving spouse, and
- (c) died immediately thereafter.

**Plan Freeze**

As of June 30, 2002, accrued benefits calculated under the benefit formula were frozen.

Beginning December 31, 2003, the accrued benefits were indexed 3.0% per year until December 31, 2006.

## **SECTION I**

## **CHANGES SINCE LAST YEAR'S VALUATION**

### **Changes in Pension Plan Provisions**

No changes in the pension plan provisions were recognized with this actuarial valuation.

### **Legislated Changes**

This report reflects the provisions of The American Rescue Plan Act of 2021 (ARPA) that was enacted on March 11, 2021. January 1, 2019 reflects the effective date for the fresh start amortization relief under ARPA, while the interest rate relief will take effect on January 1, 2021.

This valuation reflects a delay in contribution requirements as allowed under the CARES Act.

### **Changes in Actuarial Assumptions**

The expense load was increased from \$800,000 to \$850,000 to better reflect expected administrative expenses.

The ASC960 mortality table was changed from the RP-2014 Adjusted to 2006 Total Dataset Mortality Table with projection scale MP-2018 to the Pri-2012 Total Dataset Employee/Retiree Amount Weighted Mortality Table with projection scale MP-2019.

### **Changes in Actuarial Methods**

No changes in actuarial methods were recognized with this actuarial valuation.

**SECTION VII****DISTRIBUTION OF ACTIVE PARTICIPANTS BY AGE AND SERVICE****Number of Active Participants as of January 1, 2020 – Distribution by Age and Service**

Active participant counts are shown below.

| Attained<br>Age | Years of Credited Service |            |            |              |              |              |              |              |              |             |              |
|-----------------|---------------------------|------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|
|                 | <u>Under 1</u>            | <u>1-4</u> | <u>5-9</u> | <u>10-14</u> | <u>15-19</u> | <u>20-24</u> | <u>25-29</u> | <u>30-34</u> | <u>35-39</u> | <u>40 +</u> | <u>Total</u> |
| Under 25        |                           |            |            |              |              |              |              |              |              |             |              |
| 25-29           |                           |            |            |              |              |              |              |              |              |             |              |
| 30-34           |                           |            |            |              |              |              |              |              |              |             |              |
| 35-39           |                           |            |            |              |              |              |              |              |              |             |              |
| 40-44           |                           | 1          |            |              |              |              |              |              |              |             | 1            |
| 45-49           |                           | 2          |            |              |              |              |              |              |              |             | 2            |
| 50-54           |                           | 1          |            |              |              |              |              |              |              |             | 1            |
| 55-59           |                           | 4          |            |              | 1            |              |              |              |              |             | 5            |
| 60-64           |                           | 2          |            |              | 2            |              |              |              |              |             | 4            |
| 65-69           |                           | 1          |            |              |              |              |              |              |              |             | 1            |
| 70 +            |                           |            |            |              |              |              |              |              |              |             |              |
| Total           |                           | 11         |            |              | 3            |              |              |              |              |             | 14           |

**SECTION VII****PLAN PROVISIONS**

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>EIN/PN</b>                               | 04-2393618/002                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Participation Eligibility</b>            | <p>Employees classified as staff and service employees will become participants on the first day of the month following the completion of one year of service and at least 1,000 hours.</p> <p>Plan participation is frozen to new hires after June 30, 2002.</p>                                                                                                                                                                                                                                        |
| <b>Normal Form of Annuity</b>               | Life Annuity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Normal Retirement Date</b>               | The first day of the month coinciding with or next following the Participant's 65 <sup>th</sup> birthday                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Vesting Schedule</b>                     | Five years of Service.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Vested Benefit</b>                       | Retirement benefit accrued to date of termination and payable at Normal Retirement Date.                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Social Security Covered Compensation</b> | The annual average of the Social Security taxable wage bases in effect for each calendar year during the 35 year period ending with the last day of the calendar year in which the participant attains Social Security Retirement Age.                                                                                                                                                                                                                                                                   |
| <b>Benefit</b>                              | <p>The normal monthly retirement benefit of a participant payable in the normal form is the greatest of one-twelfth of (a), (b) and (c):</p> <p>(a) .6833 percent of average annual compensation plus .650 percent of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;</p> <p>(b) the benefit accrued as of December 31, 1987 under the former plans, and</p> <p>(c) \$60 multiplied by years of benefit service</p> |
| <b>Early Eligibility</b>                    | Attainment of age 55 and 10 years of Service.                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Early Benefit Amount</b>                 | An annual benefit payable prior to Normal Retirement, but on or after the Early Retirement Eligibility Date. If the benefits commence prior to age 65, the accrued benefit shall be reduced by 5/9ths of 1.0% for each of the first 60 months and by 5/18ths of 1.0% for each month in excess of 60 that the benefit commencement date precedes Normal Retirement Date.                                                                                                                                  |

**SECTION VII****PLAN PROVISIONS****Preretirement Death Benefit***Eligibility*

An active or terminated vested participant who has completed five or more years of vesting service and was married at death.

*Benefit Formula*

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

- (a) survived to the earliest retirement date,
- (b) retired and elected to be paid in the form of a joint annuity with 100 percent to the surviving spouse, and
- (c) died immediately thereafter.

**Plan Freeze**

As of June 30, 2002, accrued benefits calculated under the benefit formula were frozen.

Beginning December 31, 2003, the accrued benefits were indexed 3.0% per year until December 31, 2006.



# **Dynamics Research Corporation Defined Benefit Pension Plan**

Financial Statements and  
Supplemental Schedules  
Years Ended December 31, 2020 and 2019



# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Content

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\* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



**Mayer Hoffman McCann P.C.**

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## **Independent Auditors' Report**

To the Benefit Plans Committee

**Dynamics Research Corporation Defined Benefit Pension Plan**

### ***Report on the Financial Statements***

We were engaged to audit the accompanying financial statements of Dynamics Research Corporation Defined Benefit Pension Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2020, and the related statement of changes in net assets available for plan benefits for the year 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 audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustees hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained a certification from the trustees as of and for the year ended December 31, 2020, that the information provided to the Plan administrator by the trustees is complete and accurate.



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### ***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 on the 2020 financial statements. Accordingly, we do not express an opinion on the 2020 financial statements referred to in the first paragraph.

### ***Other Matter-Supplemental Schedules***

The supplemental schedules of assets (held at end of year) as of December 31, 2020 and reportable transactions for the year ended December 31, 2020 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not required parts of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

The form and content of the information included in the 2020 financial statements and supplemental schedules, other than that derived from the information certified by the trustees, 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.

### ***Other Matter-2019 Financial Statements***

The financial statements of the Plan as of December 31, 2019, were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan. Their report, dated October 12, 2020, indicated that (a) because of the significance of the information that they did not audit, they were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustees, were 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.

*Mayer Hoffman McCann P.C.*

San Diego, CA  
October 13, 2021

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Statements of Net Assets Available for Benefits

| <i>December 31,</i>                        | <b>2020</b>                 | 2019                        |
|--------------------------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                              |                             |                             |
| Investments at fair value (see Note 4)     | \$ 48,879,703               | \$ 50,612,302               |
| Investments at contract value (see Note 5) | <u>2,005,476</u>            | <u>2,645,954</u>            |
| Total investments                          | <u>50,885,179</u>           | <u>53,258,256</u>           |
| Receivables:                               |                             |                             |
| Plan Sponsor contributions                 | <u>4,040,000</u>            | <u>1,357,000</u>            |
| Total receivables                          | <u>4,040,000</u>            | <u>1,357,000</u>            |
| Total assets                               | <u>54,925,179</u>           | <u>54,615,256</u>           |
| <b>Net Assets Available for Benefits</b>   | <u><u>\$ 54,925,179</u></u> | <u><u>\$ 54,615,256</u></u> |

*The accompanying notes are an integral part of these financial statements.*

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Statement of Changes in Net Assets Available for Benefits

| <i>Year Ended December 31,</i>                           | <b>2020</b>                 |
|----------------------------------------------------------|-----------------------------|
| <b>Additions to Net Assets:</b>                          |                             |
| Investment income                                        |                             |
| Net appreciation in fair value of investments            | \$ 4,668,583                |
| Dividend income                                          | 788,948                     |
| Total investment income, net                             | <u>5,457,531</u>            |
| Premium refund                                           | 24,133                      |
| Contributions                                            |                             |
| Plan Sponsor                                             | <u>6,703,000</u>            |
| Total additions                                          | <u>12,184,664</u>           |
| <b>Deductions from Net Assets:</b>                       |                             |
| Benefit payments                                         |                             |
| Insurance carrier                                        | 5,944,699                   |
| Participants                                             | 5,014,297                   |
| Total benefit payments                                   | <u>10,958,996</u>           |
| Administrative expenses                                  | <u>915,745</u>              |
| Total deductions                                         | <u>11,874,741</u>           |
| <b>Net Increase in Net Assets Available for Benefits</b> | <u>309,923</u>              |
| <b>Net Assets Available for Benefits</b>                 |                             |
| Beginning of year                                        | <u>54,615,256</u>           |
| End of year                                              | <u><u>\$ 54,925,179</u></u> |

*The accompanying notes are an integral part of this financial statement.*

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### (1) Description of the Plan

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

##### *General*

The Plan is a noncontributory defined benefit plan maintained for the purpose of providing retirement benefits to eligible employees of Science Applications International Corporation (the “Plan Sponsor”). The Plan Sponsor was formerly Dynamics Research Corporation, which merged with Engility Corporation effective December 31, 2017. Engility Corporation was then acquired by Science Applications International Corporation (“SAIC”), effective January 14, 2019. SAIC became the Plan Sponsor on the effective date of the acquisition.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The SAIC Benefit Plans Committee (the “Committee”) is the Plan’s named fiduciary for purposes of Section 402(a) of ERISA. The Committee determines the appropriateness of the Plan’s investment offerings and monitors investment performance.

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

##### *COVID-19*

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 declared the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. This pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and instability in financial markets. As a result, there has been heightened market risk and the Plan’s investment portfolio has incurred significant volatility in fair value since December 31, 2020. Because the values of the Plan’s individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, and the related impact on the Plan’s liquidity cannot be determined at this time.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

---

#### *COVID-19, cont'd*

The value of the Plan's investments has a direct impact on its funded status. As a result of such volatility in market value and possible changes to the actuarial assumptions used in determining the present value of accumulated plan benefits, the Plan Sponsor may need to make greater cash contributions to fund the Plan. As a result of the Plan's funded percentage, there is a potential for certain benefit limitations to be imposed. However, the actual impact, if any, on future required contributions, Plan liquidity, and benefit limitations cannot be determined at this time.

Additionally, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was enacted to amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic.

The Plan has been operationally amended to implement certain changes permitted by the above law changes.

#### *Eligibility*

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

#### *Funding policy*

The Plan's funding policy is for the Plan Sponsor to contribute an amount which will meet or exceed the annual ERISA minimum funding requirement as determined by the Plan's independent actuary. For 2020, the Plan Sponsor made contributions of \$6,703,000 to the Plan. The Company's contributions for 2020 met the minimum funding requirements of ERISA.

#### *Vesting*

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

#### *Pension benefits*

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

- 0.6833% of average annual compensation plus 0.65% of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

---

#### *Pension benefits, cont'd*

- the benefit accrued as of December 31, 1987 under the former plans;
- \$60 multiplied by years of benefit service.

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

## **(2) Summary of Significant Accounting Policies**

#### *Basis of accounting*

The financial statements of the Plan are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

#### *Use of estimates*

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

#### *Investment valuation and income recognition*

Investments are reported at fair value, except for the Plan's contract with an insurance entity, which is reported at contract value (see Note 5). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, trustees and insurance entity. See Note 4 for further discussion of fair value measurements.

Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and administrative expenses charged by the contract issuer. Funds under the contract that have been allocated and applied to purchase annuities (that is, the contract issuer is obligated to pay the related pension benefits) are excluded from the Plan's assets.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

---

#### *Investment valuation and income recognition, cont'd*

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

#### *Payment of benefits*

Benefits are recorded when paid.

#### *Administrative expenses*

The Plan's expenses are paid either by the Plan or the Plan Sponsor, as provided by the Plan document. Expenses that are paid directly by the Plan Sponsor 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. In addition, certain investment related expenses are included in net appreciation of fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

#### *Plan termination*

Although it has not expressed any intention to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event the Plan terminates, the rights of all Participants to benefits will become nonforfeitable to the extent funded or as guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a United States government agency. The priorities for determining the allocation of Plan assets would be governed by ERISA and regulations issued by the PBGC. Prudential Bank & Trust, FSB and Prudential Trust Company, the Plan trustees, will make distributions to the Participants or their beneficiaries in accordance with the instructions of the Committee, or in the absence of such instructions, as the trustees deem advisable.

#### *New accounting pronouncement*

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, *Fair Value Measurement – Disclosure Framework (Topic 820)*. The updated guidance improves the disclosure requirements on fair value measurements. The updated guidance is effective for fiscal years beginning after December 15, 2019. The Plan adopted ASU 2018-13 in 2020 which did not have a material impact on the Plan's financial statements.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### **(3) Information Certified by the Plan's Trustees (Unaudited)**

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan, have certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate with respect to investments:

- Investments at fair value
- Net appreciation in fair value of investments
- Interest and dividends
- Schedule of assets (held at end of year)
- Schedule of reportable transactions

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

#### **(4) Fair Value Measurement**

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

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (4) Fair Value Measurements, Cont'd

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

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

*Collective trust:* Valued at the NAV of units of the collective trust. The NAV, as provided by the trustees, 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 trust less its liabilities. This practical expedient is not used when it is determined to be probable that the trust will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the issuer reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following tables set forth the Plan's investments as of December 31, 2020 and 2019:

#### *December 31, 2020*

|                                                  | Level 1       | Level 2 | Level 3 | Total         |
|--------------------------------------------------|---------------|---------|---------|---------------|
| Mutual funds                                     | \$ 41,769,852 | \$ -    | \$ -    | \$ 41,769,852 |
| Total investments in fair value hierarchy        | \$ 41,769,852 | \$ -    | \$ -    | \$ 41,769,852 |
| Investments measured at NAV practical expedient* |               |         |         | 7,109,851     |
| Total investments at fair value                  |               |         |         | \$ 48,879,703 |

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (4) Fair Value Measurements, Cont'd

*December 31, 2019*

|                                                  | Level 1       | Level 2 | Level 3 | Total         |
|--------------------------------------------------|---------------|---------|---------|---------------|
| Mutual funds                                     | \$ 42,666,804 | \$ -    | \$ -    | \$ 42,666,804 |
| Total investments in fair value hierarchy        | \$ 42,666,804 | \$ -    | \$ -    | \$ 42,666,804 |
| Investments measured at NAV practical expedient* |               |         |         | 7,945,498     |
| Total investments at fair value                  |               |         |         | \$ 50,612,302 |

\* Certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

*Investments measured using the NAV per share practical expedient*

The following tables summarize investments for which fair value is based on NAV per share practical expedient as of December 31, 2020 and 2019.

| Investment                      | Fair Value   | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|---------------------------------|--------------|----------------------|----------------------|--------------------------|
| <b><i>December 31, 2020</i></b> |              |                      |                      |                          |
| Collective trust                | \$ 7,109,851 | None                 | Daily                | 1 Day                    |
| <b><i>December 31, 2019</i></b> |              |                      |                      |                          |
| Collective trust                | \$ 7,945,498 | None                 | Daily                | 1 Day                    |

#### (5) Contract with Insurance Company

During 2017, the Plan entered into a deposit administration contract with Prudential Retirement Insurance and Annuity Company ("PRIAC"). Amounts contributed to the contract are merged with the general assets of PRIAC and earn a guaranteed crediting rate, as defined, which is established on an annual basis by PRIAC but may not be less than 1.50%. At the direction of the Plan, a single premium to buy an annuity for a retiring employee is withdrawn by PRIAC from the unallocated fund. Purchased annuities are contracts under which PRIAC is obligated to pay benefits to named employees or their beneficiaries. Payment obligations and the fulfillment of any guarantees specified in the group annuity contract are insurance claims supported by the assets in the investment. If such assets are not sufficient, payment is supported by the full faith and credit of PRIAC, for which the Plan Sponsor is obligated to make a contribution in the amount of the insufficiency.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### **(5) Contract with Insurance Company, Cont'd**

In the event of termination of the contract, the Plan's trustee may elect to receive (i) a payment of book value of the contract, as defined, which may be payable over a period of up to five years, (ii) a single sum payment, which may be adjusted to reflect the market value of the contract, as defined, or (iii) a payment of book value, as defined, in annual installments over a period of ten years.

#### **(6) Accumulated Plan Benefits**

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

Benefits under the Plan are accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits. The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The actuarial present value of accumulated plan benefits is presented based on an end-of-year benefit information date.

The significant actuarial assumptions used in the December 31, 2020 and 2019 valuations are (a) life expectancy of participants, (b) retirement age assumptions, and (c) investment return. The significant actuarial assumptions used in the December 31, 2020 and 2019 valuations are as follows:

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (6) Accumulated Plan Benefits, Cont'd

|                       | 2020                                                                                                                                                                                                             | 2019                                                                                                                                                                                                      |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investment return     | 7.00% compounded annually                                                                                                                                                                                        | 7.00% compounded annually                                                                                                                                                                                 |
| Mortality table       | Pri-2012 Private Retirement Plans Mortality Tables with separate rates for males and females using scale MP-2019, and also including separate mortality tables for primary retirees and surviving beneficiaries. | RP-2014 Mortality Tables with separate rates for males and females with generational projection back to 2006 using scale MP-2014 and then projected forward generationally from 2006 using scale MP-2018. |
| Normal retirement age | It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%.                                                                                            | It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%.                                                                                     |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2020 and 2019. Had the valuations been performed as of December 31, there would be no material differences.

During 2020, the actuarial assumptions were changed to better reflect expected plan experience. During 2020, the ASC 960 mortality assumption was changed from the RP-2014 Adjusted to 2006 Total Dataset Mortality Table with projection scale MP-2018 to the Pri-2012 Total Dataset Employee/Retiree Amount Weighted Mortality Table with projection scale MP-2019.

The actuarial present value of accumulated Plan benefits as of December 31, 2020 and 2019 is as follows:

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (6) Accumulated Plan Benefits, Cont'd

|                                                            | 2020          | 2019          |
|------------------------------------------------------------|---------------|---------------|
| Accumulated Plan benefits                                  |               |               |
| Actuarial present value of vested benefits:                |               |               |
| Participants currently receiving payments                  | \$ 42,797,681 | \$ 43,879,378 |
| Participants with deferred payments                        | 10,024,828    | 10,879,202    |
| Active participants                                        | 350,689       | 481,383       |
| Total vested benefits                                      | 53,173,198    | 55,239,963    |
| Actuarial present value of non-vested benefits             | 641           | 2,817         |
| Total actuarial present value of accumulated Plan benefits | \$ 53,173,839 | \$ 55,242,780 |

The changes in actuarial present value of the Plan's accumulated Plan benefits are as follows:

|                                                                          | 2020          |
|--------------------------------------------------------------------------|---------------|
| Actuarial present value of accumulated Plan benefits – beginning of year | \$ 55,242,780 |
| Increase (decrease) during the year attributable to:                     |               |
| Benefits paid                                                            | (4,972,008)   |
| Interest                                                                 | 3,678,473     |
| Benefits accumulated and actuarial (gain)/loss                           | (27,742)      |
| Assumption changes                                                       | (747,664)     |
| Actuarial present value of accumulated Plan benefits – end of year       | \$ 53,173,839 |

#### (7) Party-In-Interest Transactions

Certain Plan investments are managed by Prudential Bank & Trust, FSB and Prudential Trust Company, trustees of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than direct payment, in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2020. During the year ended December 31, 2020, the Plan made direct payments to the Plan's recordkeeper, advisor and predecessor auditor in the aggregate amount of \$182,874, which was not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

#### (8) Risk and Uncertainties

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

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (8) Risks and Uncertainties, Cont'd

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

#### (9) Tax Status

The Internal Revenue Service (“IRS”) has determined and informed the Company by letter dated September 24, 2015, that the Plan and the related trust are designed in accordance with the applicable sections of the Internal Revenue Code (“IRC”). The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires management of the Plan to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator believes it has no uncertain tax positions as of December 31, 2020 and 2019 and for the year ended December 31, 2020. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

#### (10) Reconciliation of the Financial Statements to Schedule H of Form 5500

Net assets available for benefits, as reported in the financial statements at December 31, 2020, are consistent with amounts reported in Schedule H of the Form 5500.

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2019 to amounts reported in Schedule H of the Form 5500:

|                                                                | <b>2019</b>   |
|----------------------------------------------------------------|---------------|
| Net assets available for benefits per the financial statements | \$ 54,615,256 |
| Less employer contributions receivable at December 31, 2019    | (1,357,000)   |
| Net assets available for benefits per Form 5500                | \$ 53,258,256 |

#### (11) Subsequent Events

The Plan has evaluated subsequent events through October 13, 2021, which is the date the financial statements were available to be issued. No significant matters were identified for disclosure during this evaluation.

# **Dynamics Research Corporation Defined Benefit Pension Plan**

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**Supplemental Schedules**

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

EIN: 46-1932921 Plan: 002

*December 31, 2020*

| (a) | (b)<br>Identity of Issue,<br>Borrower, Lessor or<br>Similar Party | (c)<br>Description of Investment, Including<br>Maturity Date, Rate of Interest, Collateral,<br>Par, or Maturity Value | (d)<br>Cost  | (e)<br>Current<br>Value |
|-----|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------|-------------------------|
|     | Neuberger Berman                                                  | Neuberger Berman Strategic Income I                                                                                   | \$ 7,503,370 | \$ 7,759,227            |
|     | MFS                                                               | MFS Intl Diversification R4                                                                                           | 5,475,604    | 6,790,524               |
|     | Invesco                                                           | Invesco Diversified Dividends R6                                                                                      | 6,248,938    | 6,366,943               |
|     | Pioneer Investments                                               | Pioneer Fundamental Growth Y                                                                                          | 4,845,470    | 6,296,302               |
|     | PIMCO                                                             | PIMCO All-Asset Institutional                                                                                         | 3,900,923    | 4,049,515               |
|     | American Funds                                                    | American Funds New World R6                                                                                           | 2,856,816    | 3,841,349               |
|     | American Beacon                                                   | American Beacon Small Cap Value R6                                                                                    | 3,013,023    | 3,574,729               |
|     | Victory                                                           | Victory Sycamore Established Value I                                                                                  | 2,872,581    | 3,091,263               |
| *   | Prudential                                                        | Prudential Core Plus Bond CIT                                                                                         | 6,726,185    | 7,109,851               |
| *   | PRIAC                                                             | Guaranteed Deposit Account                                                                                            | \$ 2,005,476 | \$ 2,005,476            |

\* Represents a party-in-interest

**Dynamics Research Corporation**  
**Defined Benefit Pension Plan**

**Schedule H, line 4j – Schedule of Reportable Transactions**

EIN: 46-1932921 Plan: 002

*Year Ended December 31, 2020*

| (a)<br>Identity of<br>party<br>Involved | (b)<br>Description of<br>asset (include interest<br>rate and maturity<br>in case of a loan) | (c)<br>Purchase<br>price | (d)<br>Selling<br>price | (g)<br>Cost of<br>asset | (h)<br>Current value<br>of asset<br>on transaction<br>date | (i)<br>Net gain<br>or (loss) |
|-----------------------------------------|---------------------------------------------------------------------------------------------|--------------------------|-------------------------|-------------------------|------------------------------------------------------------|------------------------------|
| Pioneer Investments                     | Pioneer Fundamental Growth Y                                                                | \$ 482,400               | \$ -                    | \$ 482,400              | \$ 482,400                                                 | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 2,082,089            | \$ 1,602,250            | \$ 2,082,089                                               | \$ 479,839                   |
| Neuberger Berman                        | Neuberger Berman Strategic Income I                                                         | \$ 643,200               | \$ -                    | \$ 643,200              | \$ 643,200                                                 | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 1,940,758            | \$ 1,967,026            | \$ 1,940,758                                               | \$ (26,268)                  |
| * PRIAC                                 | Guaranteed Deposit Account                                                                  | \$ 11,817,841            | \$ -                    | \$ 11,817,841           | \$ 11,817,841                                              | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 12,479,437           | \$ 12,479,437           | \$ 12,479,437                                              | \$ -                         |
|                                         |                                                                                             | <b>\$ 12,943,441</b>     | <b>\$ 16,502,284</b>    | <b>\$ 28,992,154</b>    | <b>\$ 29,445,725</b>                                       | <b>\$ 453,571</b>            |

\* Represents a party-in-interest



# **Dynamics Research Corporation Defined Benefit Pension Plan**

Financial Statements and  
Supplemental Schedules  
Years Ended December 31, 2020 and 2019



# Dynamics Research Corporation

## Defined Benefit Pension Plan

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\* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



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## **Independent Auditors' Report**

To the Benefit Plans Committee

**Dynamics Research Corporation Defined Benefit Pension Plan**

### ***Report on the Financial Statements***

We were engaged to audit the accompanying financial statements of Dynamics Research Corporation Defined Benefit Pension Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2020, and the related statement of changes in net assets available for plan benefits for the year 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 audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustees hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained a certification from the trustees as of and for the year ended December 31, 2020, that the information provided to the Plan administrator by the trustees is complete and accurate.



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### ***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 on the 2020 financial statements. Accordingly, we do not express an opinion on the 2020 financial statements referred to in the first paragraph.

### ***Other Matter-Supplemental Schedules***

The supplemental schedules of assets (held at end of year) as of December 31, 2020 and reportable transactions for the year ended December 31, 2020 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not required parts of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

The form and content of the information included in the 2020 financial statements and supplemental schedules, other than that derived from the information certified by the trustees, 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.

### ***Other Matter-2019 Financial Statements***

The financial statements of the Plan as of December 31, 2019, were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan. Their report, dated October 12, 2020, indicated that (a) because of the significance of the information that they did not audit, they were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustees, were 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.

*Mayer Hoffman McCann P.C.*

San Diego, CA  
October 13, 2021

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Statements of Net Assets Available for Benefits

| <i>December 31,</i>                        | <b>2020</b>                 | <b>2019</b>                 |
|--------------------------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                              |                             |                             |
| Investments at fair value (see Note 4)     | \$ 48,879,703               | \$ 50,612,302               |
| Investments at contract value (see Note 5) | <u>2,005,476</u>            | <u>2,645,954</u>            |
| Total investments                          | <u>50,885,179</u>           | <u>53,258,256</u>           |
| Receivables:                               |                             |                             |
| Plan Sponsor contributions                 | <u>4,040,000</u>            | <u>1,357,000</u>            |
| Total receivables                          | <u>4,040,000</u>            | <u>1,357,000</u>            |
| Total assets                               | <u>54,925,179</u>           | <u>54,615,256</u>           |
| <b>Net Assets Available for Benefits</b>   | <u><u>\$ 54,925,179</u></u> | <u><u>\$ 54,615,256</u></u> |

*The accompanying notes are an integral part of these financial statements.*

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Statement of Changes in Net Assets Available for Benefits

| <i>Year Ended December 31,</i>                           | <b>2020</b>                 |
|----------------------------------------------------------|-----------------------------|
| <b>Additions to Net Assets:</b>                          |                             |
| Investment income                                        |                             |
| Net appreciation in fair value of investments            | \$ 4,668,583                |
| Dividend income                                          | 788,948                     |
| Total investment income, net                             | <u>5,457,531</u>            |
| Premium refund                                           | 24,133                      |
| Contributions                                            |                             |
| Plan Sponsor                                             | <u>6,703,000</u>            |
| Total additions                                          | <u>12,184,664</u>           |
| <b>Deductions from Net Assets:</b>                       |                             |
| Benefit payments                                         |                             |
| Insurance carrier                                        | 5,944,699                   |
| Participants                                             | 5,014,297                   |
| Total benefit payments                                   | <u>10,958,996</u>           |
| Administrative expenses                                  | <u>915,745</u>              |
| Total deductions                                         | <u>11,874,741</u>           |
| <b>Net Increase in Net Assets Available for Benefits</b> | <u>309,923</u>              |
| <b>Net Assets Available for Benefits</b>                 |                             |
| Beginning of year                                        | <u>54,615,256</u>           |
| End of year                                              | <u><u>\$ 54,925,179</u></u> |

*The accompanying notes are an integral part of this financial statement.*

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### (1) Description of the Plan

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

##### *General*

The Plan is a noncontributory defined benefit plan maintained for the purpose of providing retirement benefits to eligible employees of Science Applications International Corporation (the “Plan Sponsor”). The Plan Sponsor was formerly Dynamics Research Corporation, which merged with Engility Corporation effective December 31, 2017. Engility Corporation was then acquired by Science Applications International Corporation (“SAIC”), effective January 14, 2019. SAIC became the Plan Sponsor on the effective date of the acquisition.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The SAIC Benefit Plans Committee (the “Committee”) is the Plan’s named fiduciary for purposes of Section 402(a) of ERISA. The Committee determines the appropriateness of the Plan’s investment offerings and monitors investment performance.

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

##### *COVID-19*

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 declared the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. This pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and instability in financial markets. As a result, there has been heightened market risk and the Plan’s investment portfolio has incurred significant volatility in fair value since December 31, 2020. Because the values of the Plan’s individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, and the related impact on the Plan’s liquidity cannot be determined at this time.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### *COVID-19, cont'd*

The value of the Plan's investments has a direct impact on its funded status. As a result of such volatility in market value and possible changes to the actuarial assumptions used in determining the present value of accumulated plan benefits, the Plan Sponsor may need to make greater cash contributions to fund the Plan. As a result of the Plan's funded percentage, there is a potential for certain benefit limitations to be imposed. However, the actual impact, if any, on future required contributions, Plan liquidity, and benefit limitations cannot be determined at this time.

Additionally, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was enacted to amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic.

The Plan has been operationally amended to implement certain changes permitted by the above law changes.

#### *Eligibility*

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

#### *Funding policy*

The Plan's funding policy is for the Plan Sponsor to contribute an amount which will meet or exceed the annual ERISA minimum funding requirement as determined by the Plan's independent actuary. For 2020, the Plan Sponsor made contributions of \$6,703,000 to the Plan. The Company's contributions for 2020 met the minimum funding requirements of ERISA.

#### *Vesting*

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

#### *Pension benefits*

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

- 0.6833% of average annual compensation plus 0.65% of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

---

#### *Pension benefits, cont'd*

- the benefit accrued as of December 31, 1987 under the former plans;
- \$60 multiplied by years of benefit service.

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

## **(2) Summary of Significant Accounting Policies**

#### *Basis of accounting*

The financial statements of the Plan are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

#### *Use of estimates*

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

#### *Investment valuation and income recognition*

Investments are reported at fair value, except for the Plan's contract with an insurance entity, which is reported at contract value (see Note 5). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, trustees and insurance entity. See Note 4 for further discussion of fair value measurements.

Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and administrative expenses charged by the contract issuer. Funds under the contract that have been allocated and applied to purchase annuities (that is, the contract issuer is obligated to pay the related pension benefits) are excluded from the Plan's assets.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### *Investment valuation and income recognition, cont'd*

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

#### *Payment of benefits*

Benefits are recorded when paid.

#### *Administrative expenses*

The Plan's expenses are paid either by the Plan or the Plan Sponsor, as provided by the Plan document. Expenses that are paid directly by the Plan Sponsor 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. In addition, certain investment related expenses are included in net appreciation of fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

#### *Plan termination*

Although it has not expressed any intention to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event the Plan terminates, the rights of all Participants to benefits will become nonforfeitable to the extent funded or as guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a United States government agency. The priorities for determining the allocation of Plan assets would be governed by ERISA and regulations issued by the PBGC. Prudential Bank & Trust, FSB and Prudential Trust Company, the Plan trustees, will make distributions to the Participants or their beneficiaries in accordance with the instructions of the Committee, or in the absence of such instructions, as the trustees deem advisable.

#### *New accounting pronouncement*

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, *Fair Value Measurement – Disclosure Framework (Topic 820)*. The updated guidance improves the disclosure requirements on fair value measurements. The updated guidance is effective for fiscal years beginning after December 15, 2019. The Plan adopted ASU 2018-13 in 2020 which did not have a material impact on the Plan's financial statements.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### **(3) Information Certified by the Plan's Trustees (Unaudited)**

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan, have certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate with respect to investments:

- Investments at fair value
- Net appreciation in fair value of investments
- Interest and dividends
- Schedule of assets (held at end of year)
- Schedule of reportable transactions

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

#### **(4) Fair Value Measurement**

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

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (4) Fair Value Measurements, Cont'd

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

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

*Collective trust:* Valued at the NAV of units of the collective trust. The NAV, as provided by the trustees, 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 trust less its liabilities. This practical expedient is not used when it is determined to be probable that the trust will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the issuer reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following tables set forth the Plan's investments as of December 31, 2020 and 2019:

#### *December 31, 2020*

|                                                  | Level 1       | Level 2 | Level 3 | Total         |
|--------------------------------------------------|---------------|---------|---------|---------------|
| Mutual funds                                     | \$ 41,769,852 | \$ -    | \$ -    | \$ 41,769,852 |
| Total investments in fair value hierarchy        | \$ 41,769,852 | \$ -    | \$ -    | \$ 41,769,852 |
| Investments measured at NAV practical expedient* |               |         |         | 7,109,851     |
| Total investments at fair value                  |               |         |         | \$ 48,879,703 |

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (4) Fair Value Measurements, Cont'd

*December 31, 2019*

|                                                  | Level 1       | Level 2 | Level 3 | Total         |
|--------------------------------------------------|---------------|---------|---------|---------------|
| Mutual funds                                     | \$ 42,666,804 | \$ -    | \$ -    | \$ 42,666,804 |
| Total investments in fair value hierarchy        | \$ 42,666,804 | \$ -    | \$ -    | \$ 42,666,804 |
| Investments measured at NAV practical expedient* |               |         |         | 7,945,498     |
| Total investments at fair value                  |               |         |         | \$ 50,612,302 |

\* Certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

*Investments measured using the NAV per share practical expedient*

The following tables summarize investments for which fair value is based on NAV per share practical expedient as of December 31, 2020 and 2019.

| Investment                      | Fair Value   | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|---------------------------------|--------------|----------------------|----------------------|--------------------------|
| <b><i>December 31, 2020</i></b> |              |                      |                      |                          |
| Collective trust                | \$ 7,109,851 | None                 | Daily                | 1 Day                    |
| <b><i>December 31, 2019</i></b> |              |                      |                      |                          |
| Collective trust                | \$ 7,945,498 | None                 | Daily                | 1 Day                    |

#### (5) Contract with Insurance Company

During 2017, the Plan entered into a deposit administration contract with Prudential Retirement Insurance and Annuity Company ("PRIAC"). Amounts contributed to the contract are merged with the general assets of PRIAC and earn a guaranteed crediting rate, as defined, which is established on an annual basis by PRIAC but may not be less than 1.50%. At the direction of the Plan, a single premium to buy an annuity for a retiring employee is withdrawn by PRIAC from the unallocated fund. Purchased annuities are contracts under which PRIAC is obligated to pay benefits to named employees or their beneficiaries. Payment obligations and the fulfillment of any guarantees specified in the group annuity contract are insurance claims supported by the assets in the investment. If such assets are not sufficient, payment is supported by the full faith and credit of PRIAC, for which the Plan Sponsor is obligated to make a contribution in the amount of the insufficiency.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### **(5) Contract with Insurance Company, Cont'd**

In the event of termination of the contract, the Plan's trustee may elect to receive (i) a payment of book value of the contract, as defined, which may be payable over a period of up to five years, (ii) a single sum payment, which may be adjusted to reflect the market value of the contract, as defined, or (iii) a payment of book value, as defined, in annual installments over a period of ten years.

#### **(6) Accumulated Plan Benefits**

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

Benefits under the Plan are accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits. The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The actuarial present value of accumulated plan benefits is presented based on an end-of-year benefit information date.

The significant actuarial assumptions used in the December 31, 2020 and 2019 valuations are (a) life expectancy of participants, (b) retirement age assumptions, and (c) investment return. The significant actuarial assumptions used in the December 31, 2020 and 2019 valuations are as follows:

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (6) Accumulated Plan Benefits, Cont'd

|                       | 2020                                                                                                                                                                                                             | 2019                                                                                                                                                                                                      |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investment return     | 7.00% compounded annually                                                                                                                                                                                        | 7.00% compounded annually                                                                                                                                                                                 |
| Mortality table       | Pri-2012 Private Retirement Plans Mortality Tables with separate rates for males and females using scale MP-2019, and also including separate mortality tables for primary retirees and surviving beneficiaries. | RP-2014 Mortality Tables with separate rates for males and females with generational projection back to 2006 using scale MP-2014 and then projected forward generationally from 2006 using scale MP-2018. |
| Normal retirement age | It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%.                                                                                            | It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%.                                                                                     |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2020 and 2019. Had the valuations been performed as of December 31, there would be no material differences.

During 2020, the actuarial assumptions were changed to better reflect expected plan experience. During 2020, the ASC 960 mortality assumption was changed from the RP-2014 Adjusted to 2006 Total Dataset Mortality Table with projection scale MP-2018 to the Pri-2012 Total Dataset Employee/Retiree Amount Weighted Mortality Table with projection scale MP-2019.

The actuarial present value of accumulated Plan benefits as of December 31, 2020 and 2019 is as follows:

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (6) Accumulated Plan Benefits, Cont'd

|                                                            | 2020          | 2019          |
|------------------------------------------------------------|---------------|---------------|
| Accumulated Plan benefits                                  |               |               |
| Actuarial present value of vested benefits:                |               |               |
| Participants currently receiving payments                  | \$ 42,797,681 | \$ 43,879,378 |
| Participants with deferred payments                        | 10,024,828    | 10,879,202    |
| Active participants                                        | 350,689       | 481,383       |
| Total vested benefits                                      | 53,173,198    | 55,239,963    |
| Actuarial present value of non-vested benefits             | 641           | 2,817         |
| Total actuarial present value of accumulated Plan benefits | \$ 53,173,839 | \$ 55,242,780 |

The changes in actuarial present value of the Plan's accumulated Plan benefits are as follows:

|                                                                          | 2020          |
|--------------------------------------------------------------------------|---------------|
| Actuarial present value of accumulated Plan benefits – beginning of year | \$ 55,242,780 |
| Increase (decrease) during the year attributable to:                     |               |
| Benefits paid                                                            | (4,972,008)   |
| Interest                                                                 | 3,678,473     |
| Benefits accumulated and actuarial (gain)/loss                           | (27,742)      |
| Assumption changes                                                       | (747,664)     |
| Actuarial present value of accumulated Plan benefits – end of year       | \$ 53,173,839 |

#### (7) Party-In-Interest Transactions

Certain Plan investments are managed by Prudential Bank & Trust, FSB and Prudential Trust Company, trustees of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than direct payment, in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2020. During the year ended December 31, 2020, the Plan made direct payments to the Plan's recordkeeper, advisor and predecessor auditor in the aggregate amount of \$182,874, which was not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

#### (8) Risk and Uncertainties

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

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (8) Risks and Uncertainties, Cont'd

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

#### (9) Tax Status

The Internal Revenue Service (“IRS”) has determined and informed the Company by letter dated September 24, 2015, that the Plan and the related trust are designed in accordance with the applicable sections of the Internal Revenue Code (“IRC”). The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires management of the Plan to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator believes it has no uncertain tax positions as of December 31, 2020 and 2019 and for the year ended December 31, 2020. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

#### (10) Reconciliation of the Financial Statements to Schedule H of Form 5500

Net assets available for benefits, as reported in the financial statements at December 31, 2020, are consistent with amounts reported in Schedule H of the Form 5500.

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2019 to amounts reported in Schedule H of the Form 5500:

|                                                                | <b>2019</b>   |
|----------------------------------------------------------------|---------------|
| Net assets available for benefits per the financial statements | \$ 54,615,256 |
| Less employer contributions receivable at December 31, 2019    | (1,357,000)   |
| Net assets available for benefits per Form 5500                | \$ 53,258,256 |

#### (11) Subsequent Events

The Plan has evaluated subsequent events through October 13, 2021, which is the date the financial statements were available to be issued. No significant matters were identified for disclosure during this evaluation.

# **Dynamics Research Corporation Defined Benefit Pension Plan**

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**Supplemental Schedules**

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

EIN: 46-1932921 Plan: 002

*December 31, 2020*

| (a) | (b)<br>Identity of Issue,<br>Borrower, Lessor or<br>Similar Party | (c)<br>Description of Investment, Including<br>Maturity Date, Rate of Interest, Collateral,<br>Par, or Maturity Value | (d)<br>Cost  | (e)<br>Current<br>Value |
|-----|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------|-------------------------|
|     | Neuberger Berman                                                  | Neuberger Berman Strategic Income I                                                                                   | \$ 7,503,370 | \$ 7,759,227            |
|     | MFS                                                               | MFS Intl Diversification R4                                                                                           | 5,475,604    | 6,790,524               |
|     | Invesco                                                           | Invesco Diversified Dividends R6                                                                                      | 6,248,938    | 6,366,943               |
|     | Pioneer Investments                                               | Pioneer Fundamental Growth Y                                                                                          | 4,845,470    | 6,296,302               |
|     | PIMCO                                                             | PIMCO All-Asset Institutional                                                                                         | 3,900,923    | 4,049,515               |
|     | American Funds                                                    | American Funds New World R6                                                                                           | 2,856,816    | 3,841,349               |
|     | American Beacon                                                   | American Beacon Small Cap Value R6                                                                                    | 3,013,023    | 3,574,729               |
|     | Victory                                                           | Victory Sycamore Established Value I                                                                                  | 2,872,581    | 3,091,263               |
| *   | Prudential                                                        | Prudential Core Plus Bond CIT                                                                                         | 6,726,185    | 7,109,851               |
| *   | PRIAC                                                             | Guaranteed Deposit Account                                                                                            | \$ 2,005,476 | \$ 2,005,476            |

\* Represents a party-in-interest

**Dynamics Research Corporation**  
**Defined Benefit Pension Plan**

**Schedule H, line 4j – Schedule of Reportable Transactions**

EIN: 46-1932921 Plan: 002

*Year Ended December 31, 2020*

| (a)<br>Identity of<br>party<br>Involved | (b)<br>Description of<br>asset (include interest<br>rate and maturity<br>in case of a loan) | (c)<br>Purchase<br>price | (d)<br>Selling<br>price | (g)<br>Cost of<br>asset | (h)<br>Current value<br>of asset<br>on transaction<br>date | (i)<br>Net gain<br>or (loss) |
|-----------------------------------------|---------------------------------------------------------------------------------------------|--------------------------|-------------------------|-------------------------|------------------------------------------------------------|------------------------------|
| Pioneer Investments                     | Pioneer Fundamental Growth Y                                                                | \$ 482,400               | \$ -                    | \$ 482,400              | \$ 482,400                                                 | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 2,082,089            | \$ 1,602,250            | \$ 2,082,089                                               | \$ 479,839                   |
| Neuberger Berman                        | Neuberger Berman Strategic Income I                                                         | \$ 643,200               | \$ -                    | \$ 643,200              | \$ 643,200                                                 | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 1,940,758            | \$ 1,967,026            | \$ 1,940,758                                               | \$ (26,268)                  |
| * PRIAC                                 | Guaranteed Deposit Account                                                                  | \$ 11,817,841            | \$ -                    | \$ 11,817,841           | \$ 11,817,841                                              | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 12,479,437           | \$ 12,479,437           | \$ 12,479,437                                              | \$ -                         |
|                                         |                                                                                             | <b>\$ 12,943,441</b>     | <b>\$ 16,502,284</b>    | <b>\$ 28,992,154</b>    | <b>\$ 29,445,725</b>                                       | <b>\$ 453,571</b>            |

\* Represents a party-in-interest



# **Dynamics Research Corporation Defined Benefit Pension Plan**

Financial Statements and  
Supplemental Schedules  
Years Ended December 31, 2020 and 2019



# Dynamics Research Corporation

## Defined Benefit Pension Plan

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#### **Financial Statements**

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#### **Supplemental Schedules\***

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\* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.



**Mayer Hoffman McCann P.C.**

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## **Independent Auditors' Report**

To the Benefit Plans Committee

**Dynamics Research Corporation Defined Benefit Pension Plan**

### ***Report on the Financial Statements***

We were engaged to audit the accompanying financial statements of Dynamics Research Corporation Defined Benefit Pension Plan (the "Plan"), which comprise the statement of net assets available for benefits as of December 31, 2020, and the related statement of changes in net assets available for plan benefits for the year 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 audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustees hold the Plan's investment assets and execute investment transactions. The Plan administrator has obtained a certification from the trustees as of and for the year ended December 31, 2020, that the information provided to the Plan administrator by the trustees is complete and accurate.



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### ***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 on the 2020 financial statements. Accordingly, we do not express an opinion on the 2020 financial statements referred to in the first paragraph.

### ***Other Matter-Supplemental Schedules***

The supplemental schedules of assets (held at end of year) as of December 31, 2020 and reportable transactions for the year ended December 31, 2020 are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not required parts of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules referred to above.

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

The form and content of the information included in the 2020 financial statements and supplemental schedules, other than that derived from the information certified by the trustees, 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.

### ***Other Matter-2019 Financial Statements***

The financial statements of the Plan as of December 31, 2019, were audited by predecessor auditors. As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed the predecessor auditors not to perform, and they did not perform, any auditing procedures with respect to the information certified by Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan. Their report, dated October 12, 2020, indicated that (a) because of the significance of the information that they did not audit, they were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, they did not express an opinion on the financial statements and (b) the form and content of the information included in the financial statements other than that derived from the information certified by the trustees, were 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.

*Mayer Hoffman McCann P.C.*

San Diego, CA  
October 13, 2021

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Statements of Net Assets Available for Benefits

| <i>December 31,</i>                        | <b>2020</b>                 | <b>2019</b>                 |
|--------------------------------------------|-----------------------------|-----------------------------|
| <b>Assets</b>                              |                             |                             |
| Investments at fair value (see Note 4)     | \$ 48,879,703               | \$ 50,612,302               |
| Investments at contract value (see Note 5) | <u>2,005,476</u>            | <u>2,645,954</u>            |
| Total investments                          | <u>50,885,179</u>           | <u>53,258,256</u>           |
| Receivables:                               |                             |                             |
| Plan Sponsor contributions                 | <u>4,040,000</u>            | <u>1,357,000</u>            |
| Total receivables                          | <u>4,040,000</u>            | <u>1,357,000</u>            |
| Total assets                               | <u>54,925,179</u>           | <u>54,615,256</u>           |
| <b>Net Assets Available for Benefits</b>   | <u><u>\$ 54,925,179</u></u> | <u><u>\$ 54,615,256</u></u> |

*The accompanying notes are an integral part of these financial statements.*

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Statement of Changes in Net Assets Available for Benefits

| <i>Year Ended December 31,</i>                           | <b>2020</b>                 |
|----------------------------------------------------------|-----------------------------|
| <b>Additions to Net Assets:</b>                          |                             |
| Investment income                                        |                             |
| Net appreciation in fair value of investments            | \$ 4,668,583                |
| Dividend income                                          | 788,948                     |
| Total investment income, net                             | <u>5,457,531</u>            |
| Premium refund                                           | 24,133                      |
| Contributions                                            |                             |
| Plan Sponsor                                             | <u>6,703,000</u>            |
| Total additions                                          | <u>12,184,664</u>           |
| <b>Deductions from Net Assets:</b>                       |                             |
| Benefit payments                                         |                             |
| Insurance carrier                                        | 5,944,699                   |
| Participants                                             | 5,014,297                   |
| Total benefit payments                                   | <u>10,958,996</u>           |
| Administrative expenses                                  | <u>915,745</u>              |
| Total deductions                                         | <u>11,874,741</u>           |
| <b>Net Increase in Net Assets Available for Benefits</b> | <u>309,923</u>              |
| <b>Net Assets Available for Benefits</b>                 |                             |
| Beginning of year                                        | <u>54,615,256</u>           |
| End of year                                              | <u><u>\$ 54,925,179</u></u> |

*The accompanying notes are an integral part of this financial statement.*

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### (1) Description of the Plan

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

##### *General*

The Plan is a noncontributory defined benefit plan maintained for the purpose of providing retirement benefits to eligible employees of Science Applications International Corporation (the “Plan Sponsor”). The Plan Sponsor was formerly Dynamics Research Corporation, which merged with Engility Corporation effective December 31, 2017. Engility Corporation was then acquired by Science Applications International Corporation (“SAIC”), effective January 14, 2019. SAIC became the Plan Sponsor on the effective date of the acquisition.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”). The SAIC Benefit Plans Committee (the “Committee”) is the Plan’s named fiduciary for purposes of Section 402(a) of ERISA. The Committee determines the appropriateness of the Plan’s investment offerings and monitors investment performance.

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

##### *COVID-19*

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 declared the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. This pandemic has adversely affected global economic activity and greatly contributed to significant deterioration and instability in financial markets. As a result, there has been heightened market risk and the Plan’s investment portfolio has incurred significant volatility in fair value since December 31, 2020. Because the values of the Plan’s individual investments have and will fluctuate in response to changing market conditions, the amount of losses that will be recognized in subsequent periods, if any, and the related impact on the Plan’s liquidity cannot be determined at this time.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### *COVID-19, cont'd*

The value of the Plan's investments has a direct impact on its funded status. As a result of such volatility in market value and possible changes to the actuarial assumptions used in determining the present value of accumulated plan benefits, the Plan Sponsor may need to make greater cash contributions to fund the Plan. As a result of the Plan's funded percentage, there is a potential for certain benefit limitations to be imposed. However, the actual impact, if any, on future required contributions, Plan liquidity, and benefit limitations cannot be determined at this time.

Additionally, on March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was enacted to amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic.

The Plan has been operationally amended to implement certain changes permitted by the above law changes.

#### *Eligibility*

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

#### *Funding policy*

The Plan's funding policy is for the Plan Sponsor to contribute an amount which will meet or exceed the annual ERISA minimum funding requirement as determined by the Plan's independent actuary. For 2020, the Plan Sponsor made contributions of \$6,703,000 to the Plan. The Company's contributions for 2020 met the minimum funding requirements of ERISA.

#### *Vesting*

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

#### *Pension benefits*

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

- 0.6833% of average annual compensation plus 0.65% of average annual compensation in excess of Social Security Covered Compensation multiplied by years of benefit service up to 30 years;

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

---

#### *Pension benefits, cont'd*

- the benefit accrued as of December 31, 1987 under the former plans;
- \$60 multiplied by years of benefit service.

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

## **(2) Summary of Significant Accounting Policies**

#### *Basis of accounting*

The financial statements of the Plan are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("GAAP").

#### *Use of estimates*

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

#### *Investment valuation and income recognition*

Investments are reported at fair value, except for the Plan's contract with an insurance entity, which is reported at contract value (see Note 5). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Committee determines the Plan's valuation policies utilizing information provided by the investment advisers, trustees and insurance entity. See Note 4 for further discussion of fair value measurements.

Contract value represents deposits made to the contract, plus earnings at guaranteed crediting rates, less withdrawals and administrative expenses charged by the contract issuer. Funds under the contract that have been allocated and applied to purchase annuities (that is, the contract issuer is obligated to pay the related pension benefits) are excluded from the Plan's assets.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

---

#### *Investment valuation and income recognition, cont'd*

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

#### *Payment of benefits*

Benefits are recorded when paid.

#### *Administrative expenses*

The Plan's expenses are paid either by the Plan or the Plan Sponsor, as provided by the Plan document. Expenses that are paid directly by the Plan Sponsor 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. In addition, certain investment related expenses are included in net appreciation of fair value of investments presented in the accompanying statement of changes in net assets available for benefits.

#### *Plan termination*

Although it has not expressed any intention to do so, the Plan Sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event the Plan terminates, the rights of all Participants to benefits will become nonforfeitable to the extent funded or as guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a United States government agency. The priorities for determining the allocation of Plan assets would be governed by ERISA and regulations issued by the PBGC. Prudential Bank & Trust, FSB and Prudential Trust Company, the Plan trustees, will make distributions to the Participants or their beneficiaries in accordance with the instructions of the Committee, or in the absence of such instructions, as the trustees deem advisable.

#### *New accounting pronouncement*

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, *Fair Value Measurement – Disclosure Framework (Topic 820)*. The updated guidance improves the disclosure requirements on fair value measurements. The updated guidance is effective for fiscal years beginning after December 15, 2019. The Plan adopted ASU 2018-13 in 2020 which did not have a material impact on the Plan's financial statements.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### **(3) Information Certified by the Plan's Trustees (Unaudited)**

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Prudential Bank & Trust, FSB and Prudential Trust Company, the trustees of the Plan, have certified that the following data included in the accompanying financial statements and supplemental schedules are complete and accurate with respect to investments:

- Investments at fair value
- Net appreciation in fair value of investments
- Interest and dividends
- Schedule of assets (held at end of year)
- Schedule of reportable transactions

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

#### **(4) Fair Value Measurement**

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

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in inactive markets; inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

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

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (4) Fair Value Measurements, Cont'd

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2020 and 2019.

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

*Collective trust:* Valued at the NAV of units of the collective trust. The NAV, as provided by the trustees, 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 trust less its liabilities. This practical expedient is not used when it is determined to be probable that the trust will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the issuer reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following tables set forth the Plan's investments as of December 31, 2020 and 2019:

#### *December 31, 2020*

|                                                  | Level 1       | Level 2 | Level 3 | Total         |
|--------------------------------------------------|---------------|---------|---------|---------------|
| Mutual funds                                     | \$ 41,769,852 | \$ -    | \$ -    | \$ 41,769,852 |
| Total investments in fair value hierarchy        | \$ 41,769,852 | \$ -    | \$ -    | \$ 41,769,852 |
| Investments measured at NAV practical expedient* |               |         |         | 7,109,851     |
| Total investments at fair value                  |               |         |         | \$ 48,879,703 |

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (4) Fair Value Measurements, Cont'd

*December 31, 2019*

|                                                  | Level 1       | Level 2 | Level 3 | Total         |
|--------------------------------------------------|---------------|---------|---------|---------------|
| Mutual funds                                     | \$ 42,666,804 | \$ -    | \$ -    | \$ 42,666,804 |
| Total investments in fair value hierarchy        | \$ 42,666,804 | \$ -    | \$ -    | \$ 42,666,804 |
| Investments measured at NAV practical expedient* |               |         |         | 7,945,498     |
| Total investments at fair value                  |               |         |         | \$ 50,612,302 |

\* Certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

*Investments measured using the NAV per share practical expedient*

The following tables summarize investments for which fair value is based on NAV per share practical expedient as of December 31, 2020 and 2019.

| Investment                      | Fair Value   | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|---------------------------------|--------------|----------------------|----------------------|--------------------------|
| <b><i>December 31, 2020</i></b> |              |                      |                      |                          |
| Collective trust                | \$ 7,109,851 | None                 | Daily                | 1 Day                    |
| <b><i>December 31, 2019</i></b> |              |                      |                      |                          |
| Collective trust                | \$ 7,945,498 | None                 | Daily                | 1 Day                    |

#### (5) Contract with Insurance Company

During 2017, the Plan entered into a deposit administration contract with Prudential Retirement Insurance and Annuity Company ("PRIAC"). Amounts contributed to the contract are merged with the general assets of PRIAC and earn a guaranteed crediting rate, as defined, which is established on an annual basis by PRIAC but may not be less than 1.50%. At the direction of the Plan, a single premium to buy an annuity for a retiring employee is withdrawn by PRIAC from the unallocated fund. Purchased annuities are contracts under which PRIAC is obligated to pay benefits to named employees or their beneficiaries. Payment obligations and the fulfillment of any guarantees specified in the group annuity contract are insurance claims supported by the assets in the investment. If such assets are not sufficient, payment is supported by the full faith and credit of PRIAC, for which the Plan Sponsor is obligated to make a contribution in the amount of the insufficiency.

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

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#### **(5) Contract with Insurance Company, Cont'd**

In the event of termination of the contract, the Plan's trustee may elect to receive (i) a payment of book value of the contract, as defined, which may be payable over a period of up to five years, (ii) a single sum payment, which may be adjusted to reflect the market value of the contract, as defined, or (iii) a payment of book value, as defined, in annual installments over a period of ten years.

#### **(6) Accumulated Plan Benefits**

Accumulated plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries.

Benefits under the Plan are accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from plan assets are excluded from accumulated plan benefits. The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The actuarial present value of accumulated plan benefits is presented based on an end-of-year benefit information date.

The significant actuarial assumptions used in the December 31, 2020 and 2019 valuations are (a) life expectancy of participants, (b) retirement age assumptions, and (c) investment return. The significant actuarial assumptions used in the December 31, 2020 and 2019 valuations are as follows:

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (6) Accumulated Plan Benefits, Cont'd

|                       | 2020                                                                                                                                                                                                             | 2019                                                                                                                                                                                                      |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Investment return     | 7.00% compounded annually                                                                                                                                                                                        | 7.00% compounded annually                                                                                                                                                                                 |
| Mortality table       | Pri-2012 Private Retirement Plans Mortality Tables with separate rates for males and females using scale MP-2019, and also including separate mortality tables for primary retirees and surviving beneficiaries. | RP-2014 Mortality Tables with separate rates for males and females with generational projection back to 2006 using scale MP-2014 and then projected forward generationally from 2006 using scale MP-2018. |
| Normal retirement age | It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%.                                                                                            | It is assumed Participants will retire based on the following rates: 55-59: 5%; 60-61: 10%, 62-64: 15%; and 65: 100%.                                                                                     |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2020 and 2019. Had the valuations been performed as of December 31, there would be no material differences.

During 2020, the actuarial assumptions were changed to better reflect expected plan experience. During 2020, the ASC 960 mortality assumption was changed from the RP-2014 Adjusted to 2006 Total Dataset Mortality Table with projection scale MP-2018 to the Pri-2012 Total Dataset Employee/Retiree Amount Weighted Mortality Table with projection scale MP-2019.

The actuarial present value of accumulated Plan benefits as of December 31, 2020 and 2019 is as follows:

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (6) Accumulated Plan Benefits, Cont'd

|                                                            | 2020          | 2019          |
|------------------------------------------------------------|---------------|---------------|
| Accumulated Plan benefits                                  |               |               |
| Actuarial present value of vested benefits:                |               |               |
| Participants currently receiving payments                  | \$ 42,797,681 | \$ 43,879,378 |
| Participants with deferred payments                        | 10,024,828    | 10,879,202    |
| Active participants                                        | 350,689       | 481,383       |
| Total vested benefits                                      | 53,173,198    | 55,239,963    |
| Actuarial present value of non-vested benefits             | 641           | 2,817         |
| Total actuarial present value of accumulated Plan benefits | \$ 53,173,839 | \$ 55,242,780 |

The changes in actuarial present value of the Plan's accumulated Plan benefits are as follows:

|                                                                          | 2020          |
|--------------------------------------------------------------------------|---------------|
| Actuarial present value of accumulated Plan benefits – beginning of year | \$ 55,242,780 |
| Increase (decrease) during the year attributable to:                     |               |
| Benefits paid                                                            | (4,972,008)   |
| Interest                                                                 | 3,678,473     |
| Benefits accumulated and actuarial (gain)/loss                           | (27,742)      |
| Assumption changes                                                       | (747,664)     |
| Actuarial present value of accumulated Plan benefits – end of year       | \$ 53,173,839 |

#### (7) Party-In-Interest Transactions

Certain Plan investments are managed by Prudential Bank & Trust, FSB and Prudential Trust Company, trustees of the Plan and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included in net appreciation in fair value of investments, as they are paid through revenue sharing, rather than direct payment, in the accompanying statement of changes in net assets available for benefits for the year ended December 31, 2020. During the year ended December 31, 2020, the Plan made direct payments to the Plan's recordkeeper, advisor and predecessor auditor in the aggregate amount of \$182,874, which was not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

#### (8) Risk and Uncertainties

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

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Notes to Financial Statements

#### (8) Risks and Uncertainties, Cont'd

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

#### (9) Tax Status

The Internal Revenue Service (“IRS”) has determined and informed the Company by letter dated September 24, 2015, that the Plan and the related trust are designed in accordance with the applicable sections of the Internal Revenue Code (“IRC”). The Plan has been amended since receiving the determination letter. However, the Plan administrator believes that the Plan and related trust are currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires management of the Plan to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator believes it has no uncertain tax positions as of December 31, 2020 and 2019 and for the year ended December 31, 2020. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

#### (10) Reconciliation of the Financial Statements to Schedule H of Form 5500

Net assets available for benefits, as reported in the financial statements at December 31, 2020, are consistent with amounts reported in Schedule H of the Form 5500.

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2019 to amounts reported in Schedule H of the Form 5500:

|                                                                | <b>2019</b>   |
|----------------------------------------------------------------|---------------|
| Net assets available for benefits per the financial statements | \$ 54,615,256 |
| Less employer contributions receivable at December 31, 2019    | (1,357,000)   |
| Net assets available for benefits per Form 5500                | \$ 53,258,256 |

#### (11) Subsequent Events

The Plan has evaluated subsequent events through October 13, 2021, which is the date the financial statements were available to be issued. No significant matters were identified for disclosure during this evaluation.

# **Dynamics Research Corporation Defined Benefit Pension Plan**

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**Supplemental Schedules**

# Dynamics Research Corporation

## Defined Benefit Pension Plan

### Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

EIN: 46-1932921 Plan: 002

*December 31, 2020*

| (a) | (b)<br>Identity of Issue,<br>Borrower, Lessor or<br>Similar Party | (c)<br>Description of Investment, Including<br>Maturity Date, Rate of Interest, Collateral,<br>Par, or Maturity Value | (d)<br>Cost  | (e)<br>Current<br>Value |
|-----|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------|-------------------------|
|     | Neuberger Berman                                                  | Neuberger Berman Strategic Income I                                                                                   | \$ 7,503,370 | \$ 7,759,227            |
|     | MFS                                                               | MFS Intl Diversification R4                                                                                           | 5,475,604    | 6,790,524               |
|     | Invesco                                                           | Invesco Diversified Dividends R6                                                                                      | 6,248,938    | 6,366,943               |
|     | Pioneer Investments                                               | Pioneer Fundamental Growth Y                                                                                          | 4,845,470    | 6,296,302               |
|     | PIMCO                                                             | PIMCO All-Asset Institutional                                                                                         | 3,900,923    | 4,049,515               |
|     | American Funds                                                    | American Funds New World R6                                                                                           | 2,856,816    | 3,841,349               |
|     | American Beacon                                                   | American Beacon Small Cap Value R6                                                                                    | 3,013,023    | 3,574,729               |
|     | Victory                                                           | Victory Sycamore Established Value I                                                                                  | 2,872,581    | 3,091,263               |
| *   | Prudential                                                        | Prudential Core Plus Bond CIT                                                                                         | 6,726,185    | 7,109,851               |
| *   | PRIAC                                                             | Guaranteed Deposit Account                                                                                            | \$ 2,005,476 | \$ 2,005,476            |

\* Represents a party-in-interest

**Dynamics Research Corporation**  
**Defined Benefit Pension Plan**

**Schedule H, line 4j – Schedule of Reportable Transactions**

EIN: 46-1932921 Plan: 002

*Year Ended December 31, 2020*

| (a)<br>Identity of<br>party<br>Involved | (b)<br>Description of<br>asset (include interest<br>rate and maturity<br>in case of a loan) | (c)<br>Purchase<br>price | (d)<br>Selling<br>price | (g)<br>Cost of<br>asset | (h)<br>Current value<br>of asset<br>on transaction<br>date | (i)<br>Net gain<br>or (loss) |
|-----------------------------------------|---------------------------------------------------------------------------------------------|--------------------------|-------------------------|-------------------------|------------------------------------------------------------|------------------------------|
| Pioneer Investments                     | Pioneer Fundamental Growth Y                                                                | \$ 482,400               | \$ -                    | \$ 482,400              | \$ 482,400                                                 | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 2,082,089            | \$ 1,602,250            | \$ 2,082,089                                               | \$ 479,839                   |
| Neuberger Berman                        | Neuberger Berman Strategic Income I                                                         | \$ 643,200               | \$ -                    | \$ 643,200              | \$ 643,200                                                 | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 1,940,758            | \$ 1,967,026            | \$ 1,940,758                                               | \$ (26,268)                  |
| * PRIAC                                 | Guaranteed Deposit Account                                                                  | \$ 11,817,841            | \$ -                    | \$ 11,817,841           | \$ 11,817,841                                              | \$ -                         |
|                                         |                                                                                             | \$ -                     | \$ 12,479,437           | \$ 12,479,437           | \$ 12,479,437                                              | \$ -                         |
|                                         |                                                                                             | <b>\$ 12,943,441</b>     | <b>\$ 16,502,284</b>    | <b>\$ 28,992,154</b>    | <b>\$ 29,445,725</b>                                       | <b>\$ 453,571</b>            |

\* Represents a party-in-interest

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                             |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2020</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

For calendar plan year 2020 or fiscal plan year beginning and ending

|                                                               |                                               |  |
|---------------------------------------------------------------|-----------------------------------------------|--|
| <b>A</b> Name of plan                                         | <b>B</b> Three-digit plan number (PN) ▶       |  |
|                                                               |                                               |  |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 | <b>D</b> Employer Identification Number (EIN) |  |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

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

|                                                                                                                                                                                                                                                        |          |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|--|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                  | <b>1</b> |  |
| <b>2</b> 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):<br><br>EIN(s): _____ |          |  |
| <b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>                                                                                                                                                                                |          |  |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year .....                                                                                                                       | <b>3</b> |  |

|                |                                                                                                                                                                               |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (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.) |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                           |                              |                             |                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....                                                                                                                                                                                                                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                                                                                                                                               |                              |                             |                              |
| <b>5</b> 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. <b>Date:</b> Month _____ Day _____ Year _____<br><b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b> |                              |                             |                              |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....                                                                                                                                                                                                                            | <b>6a</b>                    |                             |                              |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                                | <b>6b</b>                    |                             |                              |
| <b>c</b> 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).....                                                                                                                                                                                                                           | <b>6c</b>                    |                             |                              |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                                                                                                                                      |                              |                             |                              |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |
| <b>8</b> 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? .....                                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| <b>9</b> 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..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (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. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                              |                              |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</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.) ..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

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

Schedule R (Form 5500) 2020  
v. 200204

**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 deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

**a** The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

**b** The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

**c** The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

|            |  |
|------------|--|
| <b>14a</b> |  |
| <b>14b</b> |  |
| <b>14c</b> |  |

- 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 .....

|            |  |
|------------|--|
| <b>15a</b> |  |
| <b>15b</b> |  |

- 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.....

|            |  |
|------------|--|
| <b>16a</b> |  |
| <b>16b</b> |  |

- 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: 54% Investment-Grade Debt: 22% High-Yield Debt: 19% Real Estate: \_\_\_\_\_% Other: 5%

**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 \_\_\_\_\_