

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2020</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☒ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information				
1a Name of plan <u>RAYTHEON RETIREMENT PLAN FOR ENGINEERS & CONSTRUCTORS, INC. AND AIRCRAFT CREDIT EMPLOYEES</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>12/01/1949</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>12/01/1949</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>12/01/1949</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>RAYTHEON AIRCRAFT CREDIT CORP.</u> <u>870 WINTER STREET</u> <u>WALTHAM, MA 02451-1449</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>48-0619846</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>781-522-3000</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>541330</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>48-0619846</u>	2c Plan Sponsor's telephone number <u>781-522-3000</u>	2d Business code (see instructions) <u>541330</u>	
2b Employer Identification Number (EIN) <u>48-0619846</u>					
2c Plan Sponsor's telephone number <u>781-522-3000</u>					
2d Business code (see instructions) <u>541330</u>					

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2021	KELLY B. LAPPIN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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

Form 5500 (2020)
v. 200204

3a Plan administrator's name and address ☐ Same as Plan Sponsor KELLY B. LAPPIN RAYTHEON TECHNOLOGIES CORPORATION 870 WINTER STREET WALTHAM, MA 02451-1449	3b Administrator's EIN 06-0570975 3c Administrator's telephone number 781-522-5821
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 5067
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 0 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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

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

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

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

11c Enter the Receipt Confirmation Code for the 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 _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>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	
▶ 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 RAYTHEON RETIREMENT PLAN FOR ENGINEERS & CONSTRUCTORS, INC. AND AIRCRAFT CREDIT EMPLOYEES	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF RAYTHEON AIRCRAFT CREDIT CORP.	D Employer Identification Number (EIN) 48-0619846
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information			
1	Enter the valuation date: Month 01 Day 01 Year 2020			
2	Assets:			
a	Market value	2a	279776975	
b	Actuarial value	2b	273159636	
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.....	1381	73951249	73951249
b	For terminated vested participants.....	3686	107400740	107400740
c	For active participants	0	0	0
d	Total.....	5067	181351989	181351989
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a	Funding target disregarding prescribed at-risk assumptions		4a	
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....		4b	
5	Effective interest rate		5	5.38 %
6	Target normal cost.....		6	1200000

Statement by Enrolled Actuary	
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.	
SIGN HERE	
Signature of actuary	09/27/2021
GRACE BARBIERI, F.S.A.	Date
Type or print name of actuary	20-07481
MERCER	Most recent enrollment number
Firm name	617-747-9500
99 HIGH STREET BOSTON, MA 02110-2320	Telephone number (including area code)
Address of the firm	

Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>18.72</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		0
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.55</u> %		0
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III		Funding Percentages	
14	Funding target attainment percentage	14	150.62 %
15	Adjusted funding target attainment percentage	15	114.97 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	143.07 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and Liquidity Shortfalls			
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ►			18(b)	0	18(c)
					0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 0
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
3.64 %2nd segment:
5.21 %3rd segment:
5.94 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b**

0

22 Weighted average retirement age**22****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** 1200000**b** Excess assets, if applicable, but not greater than line 31a **31b** 1200000**32** Amortization installments:**a** Net shortfall amortization installment Outstanding Balance 0 Installment 0**b** Waiver amortization installment 0 0**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount. **33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) **34** 0**35** Balances elected for use to offset funding requirement Carryover balance 0 Prefunding balance 0 Total balance 0**36** Additional cash requirement (line 34 minus line 35) **36** 0**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 0**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) **38a** 0**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b****39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) **39** 0**40** Unpaid minimum required contributions for all years **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

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

For calendar plan year 2020 or fiscal plan year beginning 01/01/2020 and ending 12/31/2020		
A Name of plan RAYTHEON RETIREMENT PLAN FOR ENGINEERS & CONSTRUCTORS, INC. AND AIRCRAFT CREDIT EMPLOYEES	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 RAYTHEON AIRCRAFT CREDIT CORP.	D Employer Identification Number (EIN) 48-0619846	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

CONDUENT INC.

81-2983623

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 50	NONE	344907	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PRICEWATERHOUSECOOPERS LLP

13-4008324

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	110000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MERCER

13-2834414

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 50	NONE	63823	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

DELOITTE LLP

13-6044173

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 16 50	NONE	25459	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

THE BANK OF NEW YORK MELLON

13-5160382

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
18 21 50	NONE	17206	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

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

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2020 This Form is Open to Public Inspection.
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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 <u>RAYTHEON RETIREMENT PLAN FOR ENGINEERS & CONSTRUCTORS, INC. AND AIRCRAFT CREDIT EMPLOYEES</u>	B Three-digit plan number (PN) ► <u>001</u>
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C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>RAYTHEON AIRCRAFT CREDIT CORP.</u>	D Employer Identification Number (EIN) <u>48-0619846</u>
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Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: RAYTHEON MASTER PENSION TRUST

b Name of sponsor of entity listed in (a): THE BANK OF NEW YORK MELLON

c EIN-PN <u>04-3172773-001</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE: RAYTHEON TECH CORP MASTER TRUST

b Name of sponsor of entity listed in (a): THE BANK OF NEW YORK MELLON

c EIN-PN <u>13-3064404-001</u>	d Entity code <u>M</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>0</u>
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

b Name of sponsor of entity listed in (a):

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

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

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

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

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2020 This Form is Open to Public Inspection
For calendar plan year 2020 or fiscal plan year beginning <u>01/01/2020</u> and ending <u>12/31/2020</u>		
A Name of plan <u>RAYTHEON RETIREMENT PLAN FOR ENGINEERS & CONSTRUCTORS, INC. AND AIRCRAFT CREDIT EMPLOYEES</u>	B Three-digit plan number (PN) ►	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>RAYTHEON AIRCRAFT CREDIT CORP.</u>	D Employer Identification Number (EIN) <u>48-0619846</u>	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)	268469687	0
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	12137300	0
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	280606987	0

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f).....	1l	280606987	0
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Part II Income and Expense Statement

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

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other	2b(1)(F)	397547	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		397547
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		37889111
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		38286658

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	8854282	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		8854282
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)	1038090	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1038090
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		9892372

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		28394286
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		309001273

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: PRICEWATERHOUSECOOPERS LLP

(2) EIN: 13-4008324

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 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.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		20000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)			
4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k	X		
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
UNITED TECHNOLOGIES CORPORATION PENSION PLAN	06-0570975	040	
5c 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.) ☒ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4334349.			

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>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		
A Name of plan RAYTHEON RETIREMENT PLAN FOR ENGINEERS & CONSTRUCTORS, INC. AND AIRCRAFT CREDIT EMPLOYEES		B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 RAYTHEON AIRCRAFT CREDIT CORP.		D Employer Identification Number (EIN) 48-0619846
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 13-5160382 01-0233346		
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 22
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A		
If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____		
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☒ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 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).....

14a

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).....

14b

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).....

14c

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

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

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

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: 16.0 % Investment-Grade Debt: 28.0 % High-Yield Debt: 1.0 % Real Estate: 7.0 % Other: 48.0 %

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 _____

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Financial Statements

To Accompany 2020 Form 5500

Annual Report of Employee Benefit Plan

Under ERISA of 1974

December 31, 2020 and 2019

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

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December 31, 2020 and 2019

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The supplemental schedules to the Plan's Form 5500 are not required for the Plan's assets that are held in a Master Trust. Accordingly, the Plan Administrator must file detailed financial information for the Master Trust, including the supplemental schedules, separately with the Department of Labor.	



Report of Independent Auditors

To the Administrator of Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

We have audited the accompanying financial statements of Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2020 and 2019, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of December 31, 2020 and changes therein for the year then ended and its financial status as of December 31, 2019, and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP

October 15, 2021

**Raytheon Retirement Plan for Engineers & Constructors and Aircraft
Credit Employees**
Statements of Net Assets Available for Benefits
As of December 31, 2020 and 2019

	2020	2019
Assets		
Investments at fair value (Notes 2 and 5)		
in Master Trust	\$ -	\$ 268,469,687
Insurance contracts (Note 10)	-	12,137,300
Total assets	-	280,606,987
Net assets available for benefits	\$ -	\$ 280,606,987

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

**Raytheon Retirement Plan for Engineers & Constructors and Aircraft
Credit Employees**
Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2020 and 2019

	2020	2019
Additions		
Master Trust investment income (Notes 2 and 5)	\$ 37,889,111	\$ 44,384,068
Interest income	397,547	464,947
Total additions	<u>38,286,658</u>	<u>44,849,015</u>
Deductions		
Benefit payments	8,854,282	7,801,926
Administrative expenses	<u>1,038,090</u>	<u>1,222,147</u>
Total deductions	<u>9,892,372</u>	<u>9,024,073</u>
Net increase (decrease) in net assets available for benefits before plan merger	28,394,286	35,824,942
Merger to United Technologies Corporation Pension Plan (Note 1)	309,001,273	-
Net increase (decrease) in net assets available for benefits	(280,606,987)	35,824,942
Net assets available for benefits, beginning of year	<u>280,606,987</u>	<u>244,782,045</u>
Net assets available for benefits, end of year	<u>\$ -</u>	<u>\$ 280,606,987</u>

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

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

1. Plan Description

The following description of the Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees (the "Plan") is for general information purposes only. Participants should refer to the Summary Plan Description or the Plan Document for a complete description of the Plan's provisions.

General

The Plan is a noncontributory defined benefit plan covering former salaried employees of Raytheon Aircraft Credit Corporation and former salaried employees of Raytheon Engineers & Constructors, Inc ("RE&C"). On July 7, 2000 (the "Closing Date"), the stock of RE&C and its subsidiaries was sold to Morrison Knudsen Corporation. In addition, on the Closing Date, the following occurred: (1) the name of the Plan was changed to the Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees, (2) the sponsorship of the Plan was assumed by Raytheon Aircraft Credit Corporation, a subsidiary of Raytheon Company (the "Company"), (3) the Plan was frozen with respect to the employees of RE&C, and (4) the portion of the Raytheon Aircraft Company Retirement Income Plan for Salaried Employees that covered the active employees of Raytheon Aircraft Credit Corporation on the Closing Date, was spun off and merged into the Plan. On April 3, 2020 ("Company Merger Date"), the Company became a wholly-owned subsidiary of Raytheon Technologies Corporation ("RTC").

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). During the period covered by the annual report that these financial statements accompany, and until the Company Merger Date, the Plan was administered by the Plan Administrator (for purposes of Section 3(16) of ERISA) who was appointed by the Company's Vice President of Human Resources. From and after the Company Merger Date, the Plan Administrator of the Plan (for purposes of Section 3(16) of ERISA) is RTC and the Plan is administered by the Raytheon Technologies Corporation Plan Administration and Investment Committee ("PAIC"), which operates pursuant to a vote of the RTC Board of Directors.

A majority of the investments were held in the Master Trust ("Master Trust"). The remaining funds were invested in insurance contracts with John Hancock Life Insurance Company, Aetna Life Insurance Company, and Voya Retirement Insurance and Annuity Company (the "Insurance Companies"). During the period covered by these financial statements, and until December 1, 2020 ("Master Trust Merger Date"), the Plan's assets were held in the Raytheon Company Master Pension Trust ("RTN Master Trust"). On the Master Trust Merger Date, the RTN Master Trust merged into the United Technologies Master Trust ("UTC Master Trust") to create the Raytheon Technologies Master Trust ("RTC Master Trust"). Throughout this document, all uses of "Master Trust" refer to the applicable Master Trust at that time, as defined above.

Effective December 31, 2020, the Plan was merged into and became a part of the United Technologies Corporation Pension Plan. Assets totaling \$309,001,273 were transferred from the Plan on that date. Participants will remain in the United Technologies Corporation Pension Plan under the same provisions as the Plan.

Benefits Eligibility and Vesting

Salaried employees of the Raytheon Aircraft Credit Corporation were eligible to participate in the Plan if they had completed one year of eligibility service, as defined in the Plan, and had attained age 21. A participant will be fully vested in his or her accrued benefit upon the first to occur of the following events; a) attainment of age 65 and completion of 5 years; (b) completion of 5 years of vesting service; c) total and permanent disability as a result of a non-work related injury or illness;

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

or d) complete or partial termination of the Plan. Former employees of RE&C are vested if they have completed five years of vesting service or were eligible employees as of the Closing Date.

Effective January 1, 2007, employees who are either hired or rehired (after the expiration of any salary continuation payments) are not eligible to participate in the Plan. In addition, former employees who are rehired on or after March 1, 2007, and who have received or are receiving payments from a Company-sponsored pension plan are not eligible to participate in the Plan.

Effective January 1, 2014, no further benefits shall accrue under the Plan.

Contributions

The Company makes contributions to the Plan to ensure assets are sufficient to pay the benefits of the Plan. The Plan does not require contributions by participants.

2. Summary of Significant Accounting Policies

Basis of Presentation

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

Investment Valuation and Income Recognition

The Plan's interest in the Master Trust is stated at fair value. Net investment income (loss) from the Master Trust is allocated proportionately on a monthly basis based on the Plan's interest in the Master Trust. See Note 5 for additional information.

The Plan also invests in insurance contracts with the Insurance Companies. The contracts are held within general accounts at contract value (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses), which approximates fair value.

Insurance contracts distribute to the Plan the income earned by the investment accounts referred to above based on the ratio of the Plan's monies invested to total monies invested in the account.

Contributions

Employer contributions are funded and recorded as determined by actuarial computation. See Note 4 for additional information.

Benefit Payments

Benefit payments to participants are recorded when paid.

Administrative Expenses

All expenses of the Plan, which primarily consist of professional and administrative fees, are paid by the Plan. Expenses specifically related to the Plan are included in the Statements of Changes in Net Assets Available for Benefits under "Administrative expenses." Additionally, expenses paid directly by the Master Trust, which primarily consist of investment and performance management fees, are allocated proportionally on a monthly basis based on the Plan's interest in the Master Trust and are included in the Statements of Changes in Net Assets Available for Benefits under "Master Trust investment income."

Use of Estimates

The Plan's financial statements have been prepared in conformity with U.S. Generally Accepted Accounting Principles ("GAAP"). This requires the Plan Administrator to make significant estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

the financial statements, the actuarial present value of accumulated plan benefits as of the benefit information date, the changes in net assets available for benefits during the reporting period, and, when applicable, the disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from the estimates included in the financial statements.

New Accounting Pronouncements

In August 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-13, *Fair Value Measurement: Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement ("Topic 820")*, which eliminates the disclosure requirement of the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy and modifies certain disclosure requirements related to Level 3 recurring and nonrecurring fair value measurements. The new standard was effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Plan adopted the standard on the effective date of January 1, 2020, and it did not have a material impact on its financial statements or disclosures.

Other new pronouncements issued but not effective until after December 31, 2020 are not expected to have a material impact on the Plan's financial statements or disclosures.

3. Actuarial Present Value of 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 and (b) beneficiaries of deceased employees. Benefits are based on employees' credited service and the benefit rate in effect at the time of retirement unless subsequently amended. Benefits payable under all circumstances (such as retirement, death, disability, and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the Company's consulting actuary and is the amount which 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 retirement, death, disability, or withdrawal) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation as of December 31, 2019 and 2018, are as follows:

Assumed rate of return on investments for accumulated benefits (discount rate)	As of December 31, 2019: 7.0%
--	-------------------------------

As of December 31, 2018: 7.5%

Mortality basis

As of December 31, 2019:

Pri-2012 sex-distinct, separate employee and retiree table(s) with contingent survivor adjustments for existing survivors with no collar adjustments applied, adjusted by a factor of 95% and projected generationally using the MP-2020 mortality improvement scale.

As of December 31, 2018:

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

Modified version of the RP-2014 employee/retiree no collar tables, which has the projection scale backed off to 2006 and projected future generational mortality improvement based on a modified version of the MP-2014 scale, which reflects a 10-year downgrade period for given ages, but a 15-year downgrade for birth cohorts, and an ultimate improvement rate of 1.20% at age 64 to 0% at age 115.

Retirement

Various rates, varying by age from 62 to 65

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

Assumption Changes

The changes in actuarial assumptions since the prior valuation of the Plan are as follows:

- The discount rate was changed from 7.5% to 7.0% to reflect current capital market assumptions.
- The mortality assumption was updated as noted above to better reflect anticipated future experience.

As of December 31, 2019, the most recent valuation date, the actuarial present value of accumulated plan benefits is as follows:

Vested Benefits

Participants receiving benefits	\$ 64,113,949
Participants with deferred benefits	90,276,256
Total actuarial present value of accumulated plan benefits	<u>\$ 154,390,205</u>

The following is an analysis of changes in the present value of accumulated benefits:

Actuarial present value of accumulated plan benefits as of December 31, 2018	\$ 142,825,764
Benefits accumulated and non-investment (gains) losses	903,858
Increase for interest due to decrease in discount period	10,396,034
Benefits paid	(7,801,926)
Change in actuarial assumptions	8,066,475
Actuarial present value of accumulated plan benefits as of December 31, 2019	<u>\$ 154,390,205</u>

The Plan includes assets of \$772,091 and \$800,294 at December 31, 2020 and 2019, respectively, which are funds that were voluntarily contributed by employees of the Badger division, a former division of the Company, to provide for a supplemental pension benefit. These funds were contributed prior to the merger of the Badger Plan into the Plan. Participants are always vested in their contributions. Benefits for these employees are paid from these contributed funds, and are not included in the total actuarial value of accumulated plan benefits above. There were \$51,135 of benefit payments during 2020 and no benefit payments during 2019 from the voluntary contributions of the participants.

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

4. Funding Policy

The employer's contributions are actuarially determined to generally fund any existing unfunded liability on account of qualified service prior to the valuation date in accordance with the amortization schedules prescribed by ERISA minimum funding requirements (as amended by the Pension Protection Act of 2006). At the Company's discretion, and to the extent allowable under maximum tax deductibility regulations, contributions above the ERISA minimum funding requirements may be made to the Plan. Contributions for the years ended December 31, 2020 and 2019, met the minimum funding requirements of ERISA.

5. Master Trust

Summary Financial Information

The Plan's assets are held in a Master Trust, which was established for the investment of assets of the Plan and several other Company sponsored retirement plans. The assets of the Master Trust are held by the Bank of New York Mellon ("BNY Mellon", the "Trustee").

During the period covered by these financial statements, and until the Company Merger Date, the Plan's assets were held in the RTN Master Trust. The Raytheon Company Investment Committee, which was appointed by the CEO of Raytheon Company, regularly reviewed the asset allocation and performance of the investments held in the RTN Master Trust.

From the Company Merger Date until the Master Trust Merger Date, the Plan's assets continued to be held in the RTN Master Trust. The PAIC operated pursuant a resolution of the RTC Board of Directors and reviewed the asset allocation and performance of the investments held in the RTN Master Trust.

On the Master Trust Merger Date, the RTN Master Trust merged into the UTC Master Trust to create the RTC Master Trust. The PAIC continues to review the asset allocation and performance of the investments held in the RTC Master Trust. The assets of the RTC Master Trust are held by BNY Mellon.

The investment policy, as approved by the PAIC (and formerly the Raytheon Company Investment Committee), permits asset diversification to include a combination of cash and cash equivalents, fixed-income securities, publicly traded U.S. and international equity securities, private equity and private real estate funds, and other investments such as commingled funds, real estate, insurance contracts and derivatives. Participating plans receive units of participation in the applicable Master Trust based on their contributions to that Master Trust.

Investment securities are exposed to various risks, such as interest rate, market, currency, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur and such changes could materially affect the amounts reported in the Plan's Statements of Net Assets Available for Benefits.

Certain prior year disclosures related to the RTN Master Trust have changed from prior filings for purposes of comparability with current year presentations.

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

The following table includes the Statements of Net Assets for the RTC Master Trust, along with the Plan's interest in the RTC Master Trust, as of December 31, 2020.

	RTC Master Trust Balances	Plan's Interest in RTC Master Trust Balances
Assets		
Investments:		
Cash and cash equivalents	\$ 4,399,992,026	\$ -
Corporate debt securities	17,986,899,071	-
U.S. government and related agency obligations	2,207,917,636	-
Corporate stock	8,301,159,407	-
Registered investment companies	246,930,634	-
Commingled funds	14,991,290,600	-
Private equity and private real estate funds	4,964,300,837	-
Real estate	1,642,133,661	-
Other derivatives	4,746,362	-
Unallocated insurance contracts	21,133,399	-
Total Investments	54,766,503,633	-
Cash	105,268,122	-
Cash held at broker for derivative contracts	378,183,506	-
Interest and dividends receivable	184,988,444	-
Receivable for securities sold	242,370,617	-
Unrealized appreciation on futures contracts	119,454,685	-
Other assets and receivables	216,754	-
Total Assets	55,796,985,761	-
Liabilities		
Payable for securities purchased	161,397,721	-
Unrealized depreciation on futures contracts	18,051,379	-
Other payables	42,450,333	-
Total Liabilities	221,899,433	-
Total Net Assets	\$ 55,575,086,328	\$ -
Percentage of Plan's interest in the RTC Master Trust		0%

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

The following table includes the Statements of Net Assets for the RTN Master Trust, along with the Plan's interest in the RTN Master Trust, as of December 31, 2019.

	RTN Master Trust Balances	Plan's Interest in RTN Master Trust Balances
Assets		
Investments:		
Cash and cash equivalents	\$ -	\$ -
Corporate debt securities	2,323,674,851	30,481,102
U.S. government and related agency obligations	2,054,074,410	26,944,583
Corporate stock	3,217,081,147	42,200,473
Registered investment companies	1,054,549,341	13,833,186
Commingled funds	9,064,067,078	118,899,059
Private equity and private real estate funds	2,575,171,563	33,780,142
Real estate	-	-
Unallocated insurance contracts	20,843,141	273,413
Total Investments	20,309,461,531	266,411,958
Cash	16,484,726	216,240
Cash held at broker for derivative contracts	27,116,980	355,710
Interest and dividends receivable	49,497,549	649,290
Receivable for securities sold	12,783,967	167,695
Unrealized appreciation on futures contracts	8,273,832	108,533
Other assets and receivables	129,381,422	1,697,177
Total Assets	20,553,000,007	269,606,603
Liabilities		
Payable for securities purchased	61,211,669	802,952
Unrealized depreciation on futures contracts	15,778,395	206,975
Other derivatives	119,442	1,567
Other payables	9,561,356	125,422
Total Liabilities	86,670,862	1,136,916
Total Net Assets	20,466,329,145	268,469,687
Percentage of Plan's interest in the RTN Master Trust		1.3%

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

The following table is a summary of the investment earnings and the net appreciation (depreciation) in the fair market value of the Master Trusts for which the Plan was invested for the year ended December 31, 2020 ("Summary of Investment Earnings"):

	January 1, 2020 to Master Trust Merger Date	Master Trust Merger Date to December 31, 2020	Full year ended December 31, 2020
Net appreciation (depreciation) in investments at fair market value	\$ 2,082,960,858	\$ 1,413,700,673	\$ 3,496,661,531
Interest	127,941,592	47,446,966	175,388,558
Dividends	75,055,117	10,655,152	85,710,269
Other income	87,166,958	3,532,684	90,699,642
Total investment income	<u>\$ 2,373,124,525</u>	<u>\$ 1,475,335,475</u>	<u>\$ 3,848,460,000</u>
Total expenses	<u>165,799,479</u>	<u>38,463,416</u>	<u>204,262,895</u>
Net investment income	<u>\$ 2,207,325,046</u>	<u>\$ 1,436,872,059</u>	<u>\$ 3,644,197,105</u>
Portion of Net Investment Income Allocated to the Plan			37,889,111
Transfer to (from) the Master Trust for the Master Trust Merger	(21,205,044,002)	21,205,044,002	-
Other transfers into (out of) the Master Trust, net	(1,468,610,189)	458,751,179	(1,009,859,010)
Beginning of period Master Trust net assets	\$ 20,466,329,145	\$ -	\$ 20,466,329,145
UTC Master Trust assets on Master Trust Merger Date	N/A	32,474,419,088	32,474,419,088
Net change in Master Trust assets	(20,466,329,145)	23,100,667,240	2,634,338,095
End of period Master Trust net assets	-	\$ 55,575,086,328	\$ 55,575,086,328

**Raytheon Retirement Plan for Engineers & Constructors and Aircraft
Credit Employees**
Notes to Financial Statements
As of December 31, 2020 and 2019

The following table is a summary of the investment earnings and the net appreciation (depreciation) in the fair market value of the RTN Master Trust for the year ended December 31, 2019 ("Summary of Investment Earnings"):

	RTN Master Trust 2019
Net appreciation (depreciation) in investments at fair market value	\$ 3,284,807,879
Interest	145,598,122
Dividends	141,189,439
Other income	75,349,710
Total investment income	<u>\$ 3,646,945,150</u>
 Total expenses	 <u>183,968,890</u>
 Net investment income	 <u>\$ 3,462,976,260</u>
 Portion of net investment income allocated to the Plan	 <u>\$ 44,384,068</u>
 Transfers into (out of) the RTN Master Trust, net	 \$ (1,636,542,195)
 Beginning of year RTN Master Trust net assets	 \$ 18,639,895,080
Net change in RTN Master Trust assets	1,826,434,065
End of year RTN Master Trust net assets	\$ 20,466,329,145

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

Fair Value Measurements

The accounting standard for fair value measurements provides a framework for measuring fair value and requires expanded disclosures regarding fair value measurements. Fair value is defined as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. The accounting standard established a fair value hierarchy which requires an entity to maximize the use of observable inputs, where available. The following summarizes the three levels of inputs required:

- | | |
|-----------------|---|
| Level 1: | Unadjusted quoted prices in active markets for identical assets or liabilities. |
| Level 2: | Observable inputs, other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs which are observable or have been corroborated by observable market data for substantially the full term of the related assets or liabilities. |
| Level 3: | Unobservable inputs supported by little or no market activity that are significant to the fair value of the assets or liabilities. |

A financial instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. See valuation policy section for further information.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another.

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

Notes to Financial Statements

As of December 31, 2020 and 2019

The following tables summarize the fair value of investment assets and liabilities in the RTC Master Trust as of December 31, 2020:

Fair Value of Investment Assets as of December 31, 2020					
	Level 1	Level 2	Level 3	Not Subject to Leveling ⁽¹⁾	Total
Cash and cash equivalents	\$ -	\$ 4,399,992,026	\$ -	\$ -	\$ 4,399,992,026
Corporate debt securities	-	17,986,899,071	-	-	17,986,899,071
U.S. government and related agency obligations	1,686,535,804	521,381,832	-	-	2,207,917,636
Corporate stock	8,271,933,779	29,225,628	-	-	8,301,159,407
Registered investment companies	246,930,634	-	-	-	246,930,634
Commingled funds ⁽²⁾	-	-	-	14,991,290,600	14,991,290,600
Private equity and private real estate funds ⁽³⁾	-	-	-	4,964,300,837	4,964,300,837
Real estate ⁽⁴⁾	-	-	1,642,133,661	-	1,642,133,661
Other derivatives	-	4,746,362	-	-	4,746,362
Unallocated insurance contracts	-	21,133,399	-	-	21,133,399
Unrealized appreciation on futures contracts	119,454,685	-	-	-	119,454,685
Total assets in fair value hierarchy	\$ 10,324,854,902	\$ 22,963,378,318	\$ 1,642,133,661	\$ 19,955,591,437	\$ 54,885,958,318

Fair Value of Investment Liabilities as of December 31, 2020					
	Level 1	Level 2	Level 3	Not Subject to Leveling ⁽¹⁾	Total
Unrealized depreciation on futures contracts	18,051,379	-	-	-	18,051,379
Total liabilities in fair value hierarchy	\$ 18,051,379	\$ -	\$ -	\$ -	\$ 18,051,379

(1) In accordance with Accounting Standards Codification ("ASC") Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Net Assets for the RTC Master Trust.

(2) Commingled funds include investments in funds, of which 9% have daily redemption terms, 89% have monthly to bi-annual redemption terms, and 2% have redemption terms only on specified dates. Approximately 3% of Commingled funds have a lockup period greater than 1 year and up to 4 years, and approximately 49% of Commingled funds could be subject to gating provisions as of December 31, 2020. There were no unfunded commitments to Commingled funds as of December 31, 2020.

(3) Private equity and private real estate funds include investments in funds which can never be redeemed during the life of the funds. The remaining life of private equity and private real estate funds range from 0 to 13 years. There were \$2,796 million unfunded commitments to Private equity and private real estate funds as of December 31, 2020.

Raytheon Retirement Plan for Engineers & Constructors and Aircraft Credit Employees

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The following tables summarize the fair value of investment assets and liabilities in the RTN Master Trust as of December 31, 2019:

Fair Value of Investment Assets as of December 31, 2019					
	Level 1	Level 2	Level 3	Not Subject to Leveling ⁽¹⁾	Total
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -
Corporate debt securities	-	2,323,674,851	-	-	2,323,674,851
U.S. government and related agency obligations	1,863,363,534	190,710,876	-	-	2,054,074,410
Corporate stock	3,203,792,000	13,289,147	-	-	3,217,081,147
Registered investment companies	1,054,549,341	-	-	-	1,054,549,341
Commingled funds ⁽²⁾	-	-	-	9,064,067,078	9,064,067,078
Private equity and private real estate funds ⁽³⁾	-	-	-	2,575,171,563	2,575,171,563
Real estate	-	-	-	-	-
Unallocated insurance contracts	-	-	20,843,141	-	20,843,141
Unrealized appreciation on futures contracts	8,273,832	-	-	-	8,273,832
Total assets in fair value hierarchy	\$ 6,129,978,707	\$ 2,527,674,874	\$ 20,843,141	\$ 11,639,238,641	\$ 20,317,735,363

Fair Value of Investment Liabilities as of December 31, 2019					
	Level 1	Level 2	Level 3	Not Subject to Leveling ⁽¹⁾	Total
Unrealized depreciation on futures contracts	\$ 15,778,395	\$ -	\$ -	\$ -	\$ 15,778,395
Other derivatives	-	119,442	-	-	119,442
Total liabilities in fair value hierarchy	\$ 15,778,395	\$ 119,442	\$ -	\$ -	\$ 15,897,837

(1) In accordance with Accounting Standards Codification ("ASC") Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Net Assets for the RTN Master Trust.

(2) Commingled funds include investments in funds, of which 57% have daily redemption terms, 42% have monthly to bi-annual redemption terms, and 1% have redemption terms only on specified dates. Approximately 2% of Commingled funds have a lockup period greater than 1 year and up to 10 years, and approximately 14% of Commingled funds were under gating provisions as of December 31, 2019. There were \$52 million unfunded commitments to Commingled funds as of December 31, 2019.

(3) Private equity and private real estate funds include investments in funds which can never be redeemed during the life of the funds. The remaining life of Private equity and private real estate funds ranged from 0-13 years. There were \$1,886 million unfunded commitments to Private equity and private real estate funds as of December 31, 2019.

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Level 3 Investments

For the years ended December 31, 2020 and December 31, 2019, there were no material transfers in or out of Level 3 in the applicable Master Trusts.

For the year ended December 31, 2019, Level 3 investments consist mainly of unallocated insurance contracts. Unallocated insurance contracts represent less than 1% of the Master Trust assets and are valued at their contract price, which approximates fair value.

The following table represents the Master Trust's Level 3 financial instruments as of December 31, 2020, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of the values for those inputs:

Level 3 Investment	Fair Value	Principal Valuation Technique	Significant Unobservable Inputs	Range of Significant Input Values
Real Estate	\$ 1,642,133,661	Discounted Cash Flow Analysis	Revenue Growth Rate Discount Rate Exit Cap Rate	0%-11% 6.5%-9.5% 5.75%-9%

In estimating fair value of the investments in Level 3, the Plan Administrator may use third-party pricing sources. In substantiating the reasonableness of the pricing data provided by third-parties, the Plan Administrator evaluates a variety of factors including review of methods and assumptions used by external sources, recently executed transactions, existing contracts, economic conditions, industry and market developments, and overall credit ratings.

Valuation Policy

The Plan's interest in the Master Trust is stated at fair value. The Trustee values the Master Trust investments as follows:

Cash and cash equivalents, which includes a short-term investment fund, are valued at amortized cost, which approximates fair value. The short-term investment fund is not valued using on a quoted price in an active market and is therefore classified as a Level 2 investment in the fair value hierarchy.

Investments in fixed income securities (U.S. Government, domestic and foreign bonds, asset backed securities, and term loans) are valued by a pricing service which determines valuations for normal institutional-size trading units of such securities using methods based upon market transactions for comparable securities and various relationships between securities which are generally recognized by institutional traders, or at fair value as determined in good faith by the Trustee of the Master Trust and management.

Investments in equity securities (common and preferred) and equity securities sold short, if any, are valued at the exchange traded closing price if available.

Investments in registered investment companies are valued at their last reported net asset value.

Investments in commingled funds, private equity funds, and private real estate funds are stated at fair market value, which primarily utilizes net asset values reported by the investment manager

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or fund administrator. Management reviews additional valuation and pricing information from fund managers, including audited financial statements, to evaluate the net asset values.

Real estate assets are valued quarterly and consistently with the Real Estate Information Standards. The income approach (discounted cash flow models), sales comparison approach, or cost approach are utilized depending on the approach that most accurately portrays the anticipated behavior of the property and buyers in the market.

Unallocated insurance contracts are valued at their contract price which approximates fair value.

Valuation policies for derivative investments are disclosed in the Derivatives Policy section.

Investments denominated in foreign currencies are translated into U.S. Dollars using the last reported exchange rate.

Securities and other assets for which market quotations are not readily available or for which the above valuation procedures are deemed not to reflect fair value are valued in a manner that is intended to reflect their fair value.

Investment Income (Loss)

The Trustee maintains separate records of each plan's proportionate share in the Master Trust's investment accounts. The Plan's share of investment income (loss) and net appreciation (depreciation) in the fair value of investments of the Master Trust is included in the Statements of Changes in Net Assets Available for Benefits as Master Trust investment income (loss). The net appreciation (depreciation) in the fair value of investments consists of the realized gains (losses) and the change in unrealized appreciation (depreciation) on those investments.

Under the Master Trust Agreement, each plan's assets are jointly invested. The Plan uses the unit participation method to calculate the Plan's interest in the Master Trust. Under this method, contributions made to and benefits paid from the Master Trust result in increases or decreases in units of participation. All Master Trust income or loss results in a change in unit value.

Dividends are recorded on the ex-dividend date and interest income is accrued as earned. All security transactions are recorded on the trade date. Premiums and discounts on debt securities are amortized to maturity. Gains or losses on sales of securities are based on average cost.

Derivatives Policy

The Master Trust enters into contractual arrangements classified as derivatives in carrying out its investment strategy, principally to: (1) manage a portion of the Master Trust's portfolio against exposure to certain risks, (2) gain exposure to a market more rapidly or less expensively than could be accomplished through the use of the cash markets, and (3) increase investment returns by reducing the cost of structuring the portfolio or capturing value disparities between financial instruments. The Master Trust may utilize both exchange traded derivatives such as equity and fixed income futures and option contracts and over-the-counter ("OTC") derivatives such as forward contracts and swaps. Select major financial institutions are used in derivatives transactions. When engaging in OTC derivatives and forward foreign currency exchange contracts ("forward currency contracts"), there is exposure to credit loss in the event of nonperformance by the counterparties to these transactions. As needed for material exposures, the Master Trust manages these exposures through credit approvals, limits, monitoring procedures, and, to the extent possible, by restricting the period over which unpaid balances are allowed to accumulate. The Master Trust does not anticipate nonperformance by counterparties to these contracts.

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The following is a summary of the significant accounting policies associated with the Master Trust's use of derivatives:

Futures Contracts

The Master Trust may invest in futures contracts. A futures contract is a contractual agreement to make or take delivery of a standardized quantity of a specified grade or type of commodity or financial instrument at a specified future date in accordance with terms specified by a regulated futures exchange.

The Master Trust may use equity index, fixed income, interest rate, and commodities futures contracts to manage exposure to the market. Buying futures contracts increases the Master Trust's exposure to the underlying instrument. Selling futures contracts decreases the Master Trust's exposure to the underlying instrument held or mitigates the risk of changes in fair value of other investments held in the Master Trust.

Futures contracts are valued at the last settlement price at the end of each day on the exchange upon which they are traded. Upon entering into a futures contract, the Master Trust is required to deposit either in cash or securities an amount equal to a certain percentage of the nominal value of the contract ("initial margin"). Pursuant to the futures contract, the Master Trust agrees to receive from, or pay to, the broker an amount of cash equal to the daily fluctuation in the value of the futures contract. The accumulated balance of such receipts or payments is recorded within "Cash held at broker for derivative contracts" on the Statement of Net Assets for the Master Trust. The Master Trust will also record an unrealized gain or loss on futures contracts, which is calculated as the difference between the notional cost and the notional market value of open futures contracts. The unrealized gains or losses on are recorded within "Unrealized appreciation (depreciation) on futures contracts" on the Statement of Net Assets for the Master Trust.

Futures contracts involve, to varying degrees, credit and market risks. The Master Trust enters into futures contracts on exchanges where the exchange acts as the counterparty to the transaction. Thus, credit risk on such transactions is limited to the failure of the exchange. The daily settlement on the futures contracts serves to greatly reduce credit risk. Losses in value may arise from changes in the value of the underlying instrument or if there is an illiquid secondary market for the contracts. In addition, there is the risk that the change in the value of the futures contract may not correlate exactly with the change in value of the corresponding investments held in the Master Trust.

At December 31, 2020, there were no U.S. Government Bonds pledged by the RTC Master Trust as collateral for open futures contracts. At December 31, 2020, a cash balance of \$340,319,507 was pledged by the RTC Master Trust to cover margin requirements for open futures contracts.

At December 31, 2019, U.S. Government Bonds with a par value of \$19,447,000 (fair value of \$19,979,822) were pledged by the RTN Master Trust as collateral for open futures contracts. These bonds are restricted from trading until the futures contracts for which they are pledged as collateral are settled. A cash balance of \$27,116,980 was pledged by the RTN Master Trust to cover margin requirements for open futures contracts.

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The effect of futures contracts on the Statement of Net Assets for the Master Trust as of December 31, 2020 and December 31, 2019 are as follows:

	RTC Master Trust December 31, 2020	RTN Master Trust December 31, 2019
Assets		
Credit	\$ 4,434,474	\$ 2,517,312
Equity	110,200,429	5,756,520
Foreign Exchange	4,819,781	-
	<u>\$ 119,454,684</u>	<u>\$ 8,273,832</u>
Liabilities		
Credit	\$ 17,090,630	\$ 15,778,395
Equity	960,749	-
Foreign Exchange	-	-
	<u>\$ 18,051,379</u>	<u>\$ 15,778,395</u>

The net appreciation/(depreciation) of futures contracts during the years ended December 31, 2020 and December 31, 2019 is presented below:

	2020	2019
RTN Master Trust	\$ 243,890,819	\$ 114,578,706
RTC Master Trust	196,072,338	-
Total net appreciation (depreciation) on futures contracts	<u>\$ 439,963,157</u>	<u>\$ 114,578,706</u>

A summary of the open futures contracts in the RTC Master Trust as of December 31, 2020 are presented below:

	Long Contracts		Short Contracts	
	Number of Contracts	Aggregate Face Value	Number of Contracts	Aggregate Face Value
Fixed Income	16,560	\$ 2,959,060,657	4,619	\$ 838,661,977
Equity Index	39,249	5,158,323,001	-	-
Interest Rate	-	-	-	-
Foreign Exchange	9,382	525,499,659	-	-
	<u>65,191</u>	<u>\$ 8,642,883,317</u>	<u>4,619</u>	<u>\$ 838,661,977</u>

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A summary of the open futures contracts in the RTN Master Trust as of December 31, 2019 are presented below:

	Long Contracts		Short Contracts	
	Number of Contracts	Aggregate Face Value	Number of Contracts	Aggregate Face Value
Fixed Income	4,072	\$ 683,628,734	1,825	\$ 254,420,391
Equity Index	1,760	284,336,800	-	-
Interest Rate	38	9,344,675	-	-
Foreign Exchange	-	-	-	-
	<u>5,870</u>	<u>\$ 977,310,209</u>	<u>1,825</u>	<u>\$ 254,420,391</u>

Forward Currency Contracts

The Master Trust invested in forward currency contracts during the years ended December 31, 2020 and December 31, 2019. A forward currency contract is a commitment to purchase or sell a foreign currency at a future settlement date and at a negotiated rate.

Forward currency contracts are utilized to manage a portion of the currency exposure that results from the Master Trust's holdings of equity and fixed income securities denominated in foreign currencies.

Forward currency contracts are marked-to-market at the prevailing forward exchange rate of the underlying currencies, and the difference between contract value and market value is recorded within "Other derivatives" on the Statement of Net Assets for the Master Trust. When the forward exchange contract is settled, the Master Trust transfers the unrealized appreciation (depreciation) to a realized gain (loss) equal to the change in the value of the forward exchange contract when it was entered into and the value at the time it was settled or offset. Sales and purchases of forward currency contracts having the same settlement date and broker are offset, and any gain (loss) is realized on the date of offset.

Certain risks may arise upon entering into a forward currency contract from the potential inability of counterparties to meet the terms of their contracts. Additionally, when utilizing forward currency contracts to manage currency exposure, the Master Trust gives up the opportunity to profit from favorable exchange rate movements during the term of the contract.

Option Contracts

The Master Trust was invested in option contracts during the year ended December 31, 2020. The market value of option contracts held in the Master Trust is recorded within "Other derivatives" on the Statement of Net Assets of the Master Trust. An option contract is a contract in which the writer of the option contract grants the buyer of the option contract the right to purchase from ("call option"), or sell to ("put option"), the writer a designated instrument at a specified price within a specified period of time. Certain option contracts, including option contracts on indices, will require cash settlement by the Master Trust if the option contract is exercised. The Master Trust may enter into put or call option contracts in order to manage potential adverse price movements in the value of the portfolio assets, as a temporary substitute for selling selected investments, to lock in the purchase price of a security or currency that it expects to purchase in the near future, as a temporary substitute for the purchase of selected investments, and/or to enhance potential gain.

When the Master Trust purchases or writes an option contract, an amount equal to the premium paid or received by the Master Trust is recorded as an asset or liability and is subsequently adjusted to the current market value of the option contract purchased or written. Option contracts purchased or written

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are valued at the last sale price or, in the absence of a sale, the mean between the closing bid and ask prices or at the most recent ask price (bid for purchased option contracts) if no bid and ask price are available. OTC purchased or written option contracts are valued using dealer supplied quotations. Gain and loss is recognized when the option contract expires or is settled.

If the Master Trust writes a covered call option contract, the Master Trust foregoes, in exchange for the premium, the opportunity to profit during the option contract period from an increase in the value of the underlying security above the exercise price. If the Master Trust writes a put option contract, it accepts the risk of a decline in the value of the underlying security below the exercise price. OTC option contracts have a risk of the potential inability of counterparties to meet the terms of their contracts. The Master Trust's maximum exposure to purchased option contracts is limited to the premium initially paid. In addition, certain risks may arise upon entering into option contracts and a change in value of the option contract may not correlate exactly with changes in the value of the underlying security.

Swaps

The Master Trust was invested in swap contracts during the years ended December 31, 2020 and December 31, 2019. The Master Trust may invest in interest rate swap contracts, credit default swap contracts, and currency swap contracts. The market value of swap contracts held in the Master Trust is recorded within "Other derivatives" on the Statement of Net Assets of the Master Trust.

The Master Trust uses interest rate swap contracts to manage its exposure to interest rates. Interest rate swap contracts entered into by the Master Trust typically represent the exchange by the Master Trust with a counterparty of a commitment to make variable rate and fixed rate payments with respect to a notional amount of principal. Such contracts may have a term of one to ten years, but typically require periodic interim settlement in cash, at which time both the value of the index or security and the specified variable interest rate are reset for the next settlement period. During the period that the swap contract is open, the contract is marked-to-market as the net amount due to or from the Master Trust in accordance with the terms of the contract based on the closing level of the relevant index or security and interest accrual through the valuation date. Changes in the value of the swap contract are recorded as unrealized gains or losses, while periodic cash settlements are recorded as realized gains or losses.

The Master Trust may invest in credit default swap contracts. Credit default swap contracts entered into by the Master Trust typically represent the exchange by the Master Trust with a counterparty of a commitment to provide a level of credit protection for a commitment to receive interest at a fixed rate based on the potential risk of default of the relevant underlying issuer. Providing credit protection to a counterparty tends to increase a Master Trust's exposure to the underlying instrument. Receiving credit protection from a counterparty tends to decrease a Master Trust's exposure to the underlying instrument held by the Master Trust or hedge the fair value of other Master Trust investments. Credit default swap contracts may have a term of one to ten years, but typically require periodic interim settlement in cash. During the period that the credit default swap contract is open, the contract is marked-to-market in accordance with the terms of the contract based on the current interest rate spreads and credit risk of the referenced obligation of the underlying issuer and interest accrual through valuation date. Changes in the value of the credit default swap contract are recorded as unrealized gains or losses, while periodic cash settlements are recorded as realized gains or losses.

Entering into a swap contract involves, to varying degrees, elements of credit, market and interest rate risk in excess of the amounts reported in the statement of net assets available for benefits. Notional principal amounts are used to express the extent of involvement in the transactions, but are not delivered under the contract. Accordingly, credit risk is limited to any amounts receivable from the counterparty. To reduce credit risk from potential counterparty default, the Master Trust enters into swap contracts with counterparties whose creditworthiness has been approved by the Trustee of the Trust. The Master Trust bears the market risk arising from any change in index or security values or interest rates.

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6. Fair Value Measurements

The following tables summarize the insurance contracts:

	Fair Value of Investment Assets as of 12/31/2019			
	Level 1	Level 2	Level 3	Total
Insurance contracts	\$ -	\$ -	\$ 12,137,300	\$ 12,137,300
Total assets, excluding plan interest in Master Trust	\$ -	\$ -	\$ 12,137,300	\$ 12,137,300

Level 3 Investments

The table below summarizes changes in the fair value of the Plan's Level 3 investment assets for the year ended December 31, 2019:

	Level 3 Investment Assets 12/31/2019
	Insurance Contracts
Balance, beginning of year	11,743,164
Realized gains (losses)	1,778
Unrealized gains (losses)	-
Purchases	463,169
Sales	(70,811)
Transfers in (out) of level 3	-
Balance, end of year	12,137,300

Insurance contracts are held within general accounts at contract value (which represents contributions made under the contract, plus earnings, less withdrawals and administrative expenses), which approximates fair value. Annually, Company management reviews the reported contract values for reasonability.

7. Termination Policies

The Company has not expressed any intent to terminate the Plan or discontinue its contributions. However, in the event the Plan is discontinued:

- The assets comprising the Plan, including the net income (loss) of the Plan, shall be revalued at market by the Trustee.
- The Plan provides that the net assets of the Plan shall be allocated among the participants and beneficiaries of the Plan in the order provided by ERISA.
- To the extent unfunded vested benefits exist, ERISA provides that such benefits are payable by the Pension Benefit Guaranty Corporation (the "PBGC") to participants, up to specified limitations, as described in ERISA.

Whether all participants receive their full or partial benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for

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accumulated plan benefit obligations, and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the PBGC.

The Company may terminate the Plan in whole or in part at any time. This summary of termination priorities is provided for general information purposes only. Participants should refer to the Plan Document for more information.

8. Certain Transactions Involving Related Parties and Parties-in-Interest

BNY Mellon, as the Trustee and Custodian of the Plan, incurs expenses in connection with these services to the Plan and Master Trust, and is therefore a party-in-interest with respect to the Plan. Certain investments within the Master Trust were advised by or affiliated with BNY Mellon. The Plan Sponsor, Raytheon Company, is a party-in-interest with respect to the Plan and incurs expenses in connection with the administration of the Plan and the Master Trust.

The following table is a summary of the expenses paid to BNY Mellon and Raytheon Company for years ended December 31, 2020 and 2019:

	Year Ended 2020	Year Ended 2019
Expenses specifically related to the Plan	\$ 17,206	\$ 82,655
Plan's allocation of expenses paid directly by the Master Trust	73,296	94,240

For the years ended December 31, 2020 and 2019, \$56,134 and \$64,477, respectively, of insurance contract expenses specifically related to the Plan were incurred in addition to the expenses summarized in the table above.

The Plan also incurs certain administrative expenses paid to parties-in-interest.

All of these transactions either fall outside the scope of or are exempt from ERISA's prohibited transaction rules.

9. Tax Status

The Internal Revenue Service (the "IRS") has determined and informed the Company by letter dated May 1, 2012, that the design of the Plan meets the requirements for qualification under Internal Revenue Code ("Code") section 401(a) on which the tax exemption of the Trust under Code section 501(a) is based. The Plan has been amended since receiving the determination letter. The Plan Administrator and the Company's benefits counsel believe that the current design and operation of the Plan are consistent with continued qualification of the Plan and exemption of the Trust in the context of applicable IRS procedures. The Company, on behalf of the Plan, applied for a new determination letter on January 29, 2016.

The Plan adopted the provisions of uncertain tax positions that provide criteria for the recognition, measurement, presentation, and disclosure of uncertain tax positions. The Plan may from time to time hold investments that give rise to certain tax liabilities. Based upon management's assessment, the Plan has not recognized any tax liabilities at December 31, 2020 and 2019. The Plan is subject to examinations by taxing jurisdictions; however, there are currently no audits for any tax period in progress. The Plan Administrator believes the Plan is no longer subject to federal tax examination for years prior to 2017.

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10. Contracts with Insurance Companies

The Plan entered into contracts with the Insurance Companies primarily for the purpose of distributing monthly pension payments on behalf of certain participants. Under the contracts, the Plan maintained a minimum balance in an unallocated account with each insurance company. The Insurance Companies pay annual interest which ranged from 3.00% to 5.00% and 3.00% to 4.62% in 2020 and 2019, respectively.

11. Risks and Uncertainties

The Plan financial statements are based on the application of GAAP, which require the Plan to make estimates and assumptions about future events that affect the amounts reported in financial statements and the accompanying notes.

Contributions to the Plan are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, employee compensation, and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements. The investments of the Plan are exposed to various risks, such as interest rate, market, counterparty, and credit risks. See Note 5 for additional information with respect to investment risk.

12. Subsequent Events

The Plan has evaluated subsequent events and transactions subsequent to December 31, 2020 through the date the Plan's financial statements were available to be issued, October 15, 2021.

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law. ARPA contains provisions that are expected to reduce minimum contribution requirements for pension plans as early as 2020 depending on when the sponsoring employer chooses to apply them. RTC has not yet adopted these provisions.

On September 13, 2021, the Raytheon Technologies Corporation Benefit Design and Administration Committee adopted an amendment to the Plan in accordance with the settlement agreement and court approval order related to Cruz v. Raytheon Company, et al., Civ. Action No. 1:19-cv-11425 (U.S.D.C. Mass.). This amendment increased certain monthly benefits payable by the Plan effective January 1, 2021 and is not expected to have a material impact to the actuarial present value of accumulated plan benefits.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial Assumptions for January 1, 2020 Funding Valuation**

Discount rate sponsor elections		
• Segment rates or full yield curve	Segment	
• Look-back months	0	
	Stabilized	Nonstabilized
• First 5 years	3.64%	2.77%
• Next 15 years	5.21%	3.83%
• Over 20 years	5.94%	4.28%
Mortality sponsor elections		
• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the IRS-defined 2006 Base Tables with mortality improvement based on the IRS methodology and projection scale MP-2018.	
• Disabled participants	Same as healthy	
Other economic assumptions		
• Salary increases	N/A	
• Flat-dollar benefit increases	N/A	
• Social Security wage base	N/A	
• Inflation	N/A	
• Expected investment return	The expected investment return is 7.00% per year but not greater than the 3 rd segment rate in effect for each year Rationale: The expected long-term return on assets assumption was developed based on the plan's current target investment allocation and a building block approach, which looked at the weighted average expected return for each asset class based on long-term capital market assumptions. The expected return for each asset class is composed of inflation plus a risk free rate of return, plus an expected risk premium for each asset class. The resulting return was then adjusted for administrative, investment management and trading expenses as well as recognition of alpha for active management	
• Expenses	\$1,200,000 (added to current year target normal cost) Rationale: Based on actual administrative expenses incurred in the prior plan year increased with inflation, excluding the prior year PBGC expenses plus the estimated current year PBGC expenses.	
• Terminated vested participants over age 65	Retroactive payments for terminated vested participants over age 65 are accumulated using an assumed interest rate of 4.20%.	
Demographic assumptions		
Withdrawal	N/A	
Disability incidence	N/A	
Retirement age	N/A	

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

Benefit commencement age for		
• Future vested deferred	N/A	
• Current vested deferred not retirement eligible at termination	Age 65	
• Current vested deferred retirement eligible at termination	Age 62	
Spouse assumptions	Male participants	Female participants
• Percentage married	85%	75%
• Spouse age difference	3 years younger	3 years older
Form of payment	Single life	50% J&S
• Future death	N/A	100%
• Current vested deferred	100%	N/A
Unpredictable contingent event assumptions	N/A	

Actuarial Methods for Funding**Asset Methods**

The asset valuation method is an average of the adjusted market value for each year during the last 24 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** Conduent, Inc. provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date.
- **Insurance contracts:** The plan does have insurance contracts. Participating annuity contracts in the plan's IPG contract with John Hancock and Aetna are included in the valuation data.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

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

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual are the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2020 This Form is Open to Public Inspection
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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 RAYTHEON RETIREMENT PLAN FOR ENGINEERS & CONSTRUCTORS, INC. AND AIRCRAFT CREDIT EMPLOYEES	B Three-digit plan number (PN)	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF RAYTHEON AIRCRAFT CREDIT CORP.	D Employer Identification Number (EIN) 48-0619846	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		
F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500		

Part I Basic Information			
1	Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2020</u>		
2	Assets:		
	a Market value	2a	279,776,975
	b Actuarial value	2b	273,159,636
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment.....	1,381	73,951,249
	b For terminated vested participants	3,686	107,400,740
	c For active participants.....	0	0
	d Total.....	5,067	181,351,989
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐		
	a Funding target disregarding prescribed at-risk assumptions	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5	Effective interest rate	5	5.38%
6	Target normal cost.....	6	1,200,000

Statement by Enrolled Actuary

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

SIGN HERE	<div style="text-align: center;"> Signature of actuary </div> <div style="text-align: center;"> GRACE BARBIERI, F.S.A. Type or print name of actuary </div>	<div style="text-align: center;"> <u>9/27/21</u> Date </div> <div style="text-align: center;"> 2007481 Most recent enrollment number </div> <div style="text-align: center;"> 617-747-9500 Telephone number (including area code) </div>
<div style="text-align: center;"> MERCER Firm name </div> <div style="text-align: center;"> 99 HIGH STREET BOSTON MA 02110-2320 Address of the firm </div>		

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**

Schedule SB, Part V — Summary of Plan Provisions**Summary of Major Plan Provisions**

Effective date and plan year	Original plan: January 1, 1956 Restated plan: December 28, 2009 Plan year: January 1
Status of the plan	This plan has no active participants. It is closed to new entrants.
Significant events that occurred during the year	None
Eligibility	<p>(a) Eligible employees under the plan as it existed prior to January 17, 1976 continue to participate.</p> <p>(b) All other salaried employees, excluding "Co-op" students and non-United States citizens hired and working outside of the United States, become eligible to participate according to the following provisions:</p> <p>(i) Employees hired on or after January 1, 1985: the first January 1 or July 1 following January 1, 1985 after they have completed an annual eligibility test period during which at least 1,000 hours are worked and they have attained age 21.</p> <p>(ii) Employees hired prior to January 1, 1985: the first January 1 or July 1 following January 1, 1976 after they have completed an annual eligibility test period during which at least 1,000 hours are worked and they have attained age 25.</p> <p>(c) Stearns Catalytic employees as of November 25, 1986 receive service for eligibility and vesting purposes while with Stearns Catalytic and service for benefit purposes for employment on and after November 25, 1986.</p> <p>(d) Badger employees as of May 1, 1993 receive service for eligibility and vesting purposes while with Badger. Service for benefit purposes is for employment on and after January 1, 1994 in addition to a frozen accrued benefit from the former Badger Plan calculated on May 1, 1993.</p> <p>(e) Ebasco employees as of December 23, 1993 receive service for eligibility and vesting purposes while with Ebasco and service for benefit purposes for employment on and after January 1, 1994.</p> <p>(f) Litwin employees as of July 23, 1995 receive service for eligibility and vesting purposes while with Litwin and service for benefit purposes for employment on and after January 1, 1996.</p> <p>(g) Rust employees as of June 12, 1996 receive service for eligibility and vesting purposes while with Rust and service for benefit purposes for employment on and after June 12, 1996.</p>

Schedule SB, Part V — Summary of Plan Provisions

	(h) Harbert-Yeargin employees as of December 31, 1996 receive service for eligibility and vesting purposes while with Harbert-Yeargin. Service for benefit purposes is for employment on and after January 1, 1997 in addition to a frozen accrued benefit from the former Harbert-Yeargin Plan calculated on December 31, 1996.
Definitions	
• Annual eligibility Test Period	12-month period commencing on the employee's original employment date and extending to his annual anniversary date and each successive 12-month period thereafter.
• Credited service	Years and months of employment with the Company.
• Compensation	<p>(i) For years prior to January 1, 1969: Base earnings plus overtime excluding bonus, and other special compensation.</p> <p>(ii) For years after December 1, 1968: Base earnings excluding overtime, bonus, and other special compensation.</p> <p>(iii) For years after December 31, 1988: Compensation may not exceed the current amount.</p>
• Average Past Earnings	The average of the 5 calendar years earnings from 1980 to 1984
Normal retirement	
• Eligibility	Age 65
• Benefit	<p>(a) Past service benefit: 0.8% of base rate of earnings on December 31, 1955 in excess of \$4,200 multiplied by years of Credited Service on January 1, 1956 in excess of 5.</p> <p>b) Future service benefit: For service prior to January 1, 1964: 1.25% of annual earnings in excess of \$4,200 for each year of participation in the plan subsequent to the later of December 31, 1955 or completion of 60 months of Credited Service and prior to January 1, 1964.</p> <p>For service January 1, 1964 to December 31, 1971: 1.25% of annual earnings for each year of participation in the plan subsequent to the later of December 31, 1963 or completion of 60 months of Credited Service prior to January 1, 1972.</p> <p>For service January 1, 1972 to December 31, 1975: 1.25% of annual earnings up to \$9,000 plus 1.50% of the excess over \$9,000 for each year of participation in the plan subsequent to the later of December 31, 1971 or completion of 60 months of Credited Service prior to January 1, 1976.</p> <p>For service January 1, 1976 to December 31, 1980: 1.25% of annual earnings up to \$9,000 plus 1.50% of the excess over \$9,000 for each year of participation in the plan subsequent to the later of December 31, 1975 or date employee becomes eligible for participation.</p>

Schedule SB, Part V — Summary of Plan Provisions

For service on and after January 1, 1981: 1.5% of annual earnings up to \$15,000 plus 1.75% of the excess over \$15,000 for each year of participation in the plan subsequent to the later of December 31, 1980 or date employee becomes eligible for participation.

(c) Minimum for service to December 31, 1979: Retirees on and after January 1, 1980 shall not receive less than 1% of annual earnings as of December 31, 1979 for each year of service prior to January 1, 1980 after attainment of age 25 and completion of one year of service.

(d) Minimum for service to December 31 1984: Retirees on and after October 1, 1985 shall not receive less than the following: 1% of Average Past Earnings up to a maximum of \$15,000 plus 1.25% of Average Past Earnings in excess of \$15,000 times Credited Service prior to January 1, 1985.

e) As a result of the July 7, 2000 sale, all benefit accruals have been frozen.

Early retirement	
• Eligibility	Age 55 and 5 years of vesting service
• Benefit	As described under Normal Retirement reduced 6% for each year that the participant's early retirement date precedes his/her 64th birthday. There is no reduction in annual benefit payable prior to age 64 for employees with 40 or more years of Vesting Service.
Late retirement	
• Benefit	Benefits described under Normal Retirement based on Compensation and Credited Service at actual retirement date.
vesting	
• Eligibility	All employees who terminate after completing 60 months of Vesting Service and completing 5 Annual Eligibility Test Periods during which 1,000 or more hours are worked.
• Exception	Employees whose employment was terminated by a transfer to Yeargin Inc. shall be fully vested in their benefit accrued to date of transfer.
• Benefit	Upon attaining age 65, the vested terminated employee will receive the benefit credited under Normal Retirement prior to his/her date of termination. Participants are eligible for benefits as early as age 55, reduced as described under Early Retirement.
Disability	
• Eligibility	Participants who are permanently disabled shall retire on an early retirement date requested by the participant and fixed by the Company.
• Benefit	Benefit credit as described under Normal Retirement continued through the disability and actuarially reduced for early payments of benefits.

Schedule SB, Part V — Summary of Plan Provisions

death benefits	
• Pre-Retirement	A benefit payable for the spouse's life beginning when the participant would have been age 55 or his/her age at death, if later. This benefit is calculated as if the participant had separated from service on the date of death, survived until eligible for early retirement, and retired with a 50% contingent annuity. This coverage is provided free of charge to all participants.
• Post-Retirement	None except as provided by the normal or an optional form of benefit.
Unpredictable contingent event benefits	N/A
Form of benefits	
• Automatic form for unmarried participants	Single life annuity
• Automatic form for married participants	Actuarially equivalent 50% Joint & Survivor Annuity
• Optional forms	50% Joint & Survivor Annuity 66 2/3% Joint & Survivor Annuity 75% Joint & Survivor Annuity 100% Joint & Survivor Annuity Life Annuity with 10-Year Certain
• Optional form conversion factors	Optional forms of annuity are converted based upon Actuarial Equivalence using 1971 TPF&C Forecast Mortality Table and an interest rate of 7%
Miscellaneous	
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2020, the limit is \$230,000.

Special Provisions For Employees Of The Raytheon Aircraft Credit Corporation

Eligibility	Age 21 and one year of service. The plan is closed to new entrants.
Final Average Earnings	Annualized average of earnings during highest 60 consecutive months out of last 120 months. "Earnings" include base pay, cost of living adjustments, bonus, commissions, discretionary and productivity awards, unbankable sick leave, area pay and shift differentials, but may not exceed the compensation limit as specified in Section 401(a)(17) of the Internal Revenue Code.
Normal retirement	
• Eligibility	Age 65 and five years of service.

Schedule SB, Part V — Summary of Plan Provisions

• Benefit	<p>The greatest of:</p> <ul style="list-style-type: none"> 1.8% for the first 20 years of Membership plus 1.2 percent for the next 29 years multiplied by the excess of Final Average Earnings over the primary Social Security benefit, with a maximum adjustment for Social Security of 60%. For Raytheon employees who became participants prior to January 1, 1989, 1.2% of Final Average Earnings multiplied by service, but not to exceed 60% of Final Average Earnings less 50% of the Primary Social Security benefit. The dollar credit in effect for bargaining unit employees under the Raytheon Aircraft Company Retirement Income Plan for Hourly-Paid Employees (\$492) multiplied by service. <p>Benefits may not exceed the maximum benefit limit as specified in Section 415 of the Internal Revenue Code.</p> <p>As of January 1, 2014, no further benefits shall accrue under the Plan.</p>
Early retirement	
• Eligibility	Age 55 and five years of service.
• Benefit	Accrued benefit reduced 5/12 percent for each month that the first payment date precedes age 62.
Late retirement	
• Benefit	Benefit will continue to accrue until retirement.
vesting	
• Eligibility	5 years of service.
• Benefit	Accrued benefit payable at age 65, or as early as age 55 reduced 5/9% for each of the first 60 months and 5/18% for each additional month that the first payment date precedes Normal Retirement Date.
Disability	
• Eligibility	Termination due to total and permanent disability.
• Benefit	<p>1.2% of Final Average Earnings times service, but not to exceed 60% of Final Average Earnings less 50% of the Primary Social Security benefit, commencing:</p> <ul style="list-style-type: none"> if disability is work connected, after absence of 2 months. if disability is not work connected and participant has at least 10 years of Vesting Service, after absence of 6 months.
death benefits	
• Eligibility for Pre-Retirement	5 years of vesting service

Schedule SB, Part V — Summary of Plan Provisions

• Post-Retirement	<p>Surviving Spouse Benefit equal to the amount payable to the member's spouse as if the member had survived to early retirement age, retired early, elected a 50% Joint and Survivor Annuity and then died. Benefit commences on first of month following the date the member would have been eligible to retire early and is payable for the lifetime of the spouse.</p> <p>For active participants eligible for early retirement or with at least 20 years of Vesting Service, the actuarial equivalent value of this benefit shall not be less than the Basic or Alternate Death Benefits.</p> <p>Basic Death Benefit: (if eligible for early retirement) 90 times accrued benefit less base group life insurance.</p> <p>Alternate Death Benefit: (if 20 years of service but not eligible for early retirement) accrued benefit times age plus service (not to exceed 90).</p>
Form of benefits	
• Automatic form for unmarried participants	Single life annuity.
• Automatic form for married participants	Actuarially equivalent 50% Joint & Survivor Annuity.
• Optional forms	66 2/3% Joint & Survivor Annuity. 5-Year or 10-Year Certain and Life.
• Optional form conversion factors	<p>Optional forms are converted based upon Actuarial Equivalence. Actuarial Equivalence is based on a discount rate of 7.00% per annum and mortality rates as per the 1971 TPF&C tables.</p> <p>Accelerated payments are subject to 417(e) of the code.</p>
special provisions	
• Eligibility	For salaried employees of Hangar One, Inc. on December 31, 1987.
• Annual benefits	For periods of service to December 31, 1987, a benefit based on the prior plan formula.
Miscellaneous	
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2020, the limit is \$230,000.

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan, as restated effective January 16, 2015, are included in this valuation:

- **Most recent plan amendments included:** Not applicable.
- **Plan amendments excluded:** None

Schedule SB, Part V — Summary of Plan Provisions**• Late retirement increases:**

- *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued with retroactive payments from age 65.

• IRC Section 415(b) benefit limitations: The limitation of Internal Revenue Code Section 415(b) have been incorporated into our calculations.**• IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.**Plan Provisions Specific to Funding****Additional Benefits Included or Excluded****• IRC Section 436 benefit restrictions:**

- *Unpredictable contingent event benefits:* N/A
- *Plan amendments:* See above.
- *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
- *Benefit accruals:* N/A
- Scheduled benefit increases: None.

Plan Provision Changes Since Prior Valuation

Maximum benefit amounts were updated from 2019 to 2020.

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial assumption changes since prior valuation

Funding

- The expense component of normal cost decreased from \$2,600,000 to \$1,200,000 to reflect expectations of current year administrative expenses.