

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2022</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</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)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶	☐

Part II Basic Plan Information —enter all requested information		
1a Name of plan <u>THALES COMMUNICATIONS PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</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>THALES DEFENSE & SECURITY, INC.</u> <u>22605 GATEWAY CENTER DRIVE</u> <u>CLARKSBURG, MD 20871</u>	1c Effective date of plan <u>01/01/1974</u>	2b Employer Identification Number (EIN) <u>52-0802860</u>
	2c Plan Sponsor's telephone number <u>240-864-7000</u>	2d Business code (see instructions) <u>334200</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.	10/13/2023	FABIENNE GOEUZOULIAN
	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 (2022)
v. 220413

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 179
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.....		<div style="background-color: #cccccc; height: 20px; width: 100%;"></div> 6a(1) 46 6a(2) 44 6b 46 6c 80 6d 170 6e 8 6f 178 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 1I 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ 0 A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

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

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

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

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

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

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

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

A Name of plan <u>THALES COMMUNICATIONS PENSION PLAN</u>	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 <u>THALES DEFENSE & SECURITY, INC.</u>	D Employer Identification Number (EIN) <u>52-0802860</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2022</u>	
2 Assets:	
a Market value.....	2a <u>10916388</u>
b Actuarial value	2b <u>10564512</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants <u>44</u> (2) Vested Funding Target <u>4797294</u> (3) Total Funding Target <u>4797294</u>
b For terminated vested participants.....	<u>89</u> <u>3510782</u> <u>3510782</u>
c For active participants.....	<u>46</u> <u>1629683</u> <u>1629683</u>
d Total	<u>179</u> <u>9937759</u> <u>9937759</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions.....	4a
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 <u>5.33 %</u>
6 Target normal cost	
a Present value of current plan year accruals.....	6a <u>0</u>
b Expected plan-related expenses	6b <u>140882</u>
c Total (line 6a + line 6b)	6c <u>140882</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>09/18/2023</u>
	Signature of actuary	Date
<u>MATTHEW R. KLEIN</u>	Type or print name of actuary	<u>23-06865</u>
		Most recent enrollment number
<u>USI CONSULTING GROUP</u>	Firm name	<u>216-875-1900</u>
		Telephone number (including area code)
<u>1001 LAKESIDE AVENUE</u> <u>SUITE 1200</u> <u>CLEVELAND, OH 44114</u>	Address of the firm	

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

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).....	34015	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)	34015	0
10 Interest on line 9 using prior year's actual return of <u>8.75</u> %	2976	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		21738
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>5.51</u> %.....		1198
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance.....		22936
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).....	36991	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	105.93 %
15 Adjusted funding target attainment percentage	15	106.30 %
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	95.89 %
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
0	0	0
(4) 4th		
0		

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
4.75 %2nd segment:
5.18 %3rd segment:
5.92 %☐ N/A, full yield curve used**b** Applicable month (enter code).....**21b**

4

22 Weighted average retirement age**22**

64

23 Mortality table(s) (see instructions)☐

Prescribed - combined

☒

Prescribed - separate

☐

Substitute

Part VI Miscellaneous Items**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Demographic and benefit information**a** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**b** Is the plan required to provide a projection of expected benefit payments? 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 6c)..... **31a** 140882**b** Excess assets, if applicable, but not greater than line 31a **31b** 140882**32** Amortization installments:**a** Net shortfall amortization installment Outstanding Balance Installment 0 0**b** Waiver amortization installment 0 0**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount**33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).... **34** 0**35** Balances elected for use to offset funding requirement..... Carryover balance Prefunding balance Total balance 0 0 0**36** Additional cash requirement (line 34 minus line 35)..... **36** 0**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 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** 0**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0**40** Unpaid minimum required contributions for all years..... **40** 0**Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)****41** If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☐ 2019 ☐ 2020 ☒ 2021

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan THALES COMMUNICATIONS PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 THALES DEFENSE & SECURITY, INC.	D Employer Identification Number (EIN) 52-0802860	

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)

USI CONSULTING GROUP

06-1053228

(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	27783	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CLEARSTEAD ADVISORS LLC

34-1597728

(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?
16 50 51	NONE	20258	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

PICKETT, CHANEY & MCMULLEN LLP

48-1246310

(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	7500	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>THALES COMMUNICATIONS PENSION PLAN</u>		B Three-digit plan number (PN) <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>THALES DEFENSE & SECURITY, INC.</u>		D Employer Identification Number (EIN) <u>52-0802860</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	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	88714	0
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)	8545	749
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	316861	227605
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	10503106	8387255
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	10917226	8615609

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	7550	0
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	7550	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	10909676	8615609
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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)	0	
(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)	2628	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		2628
(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)	223319	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		223319
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-1811415
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-1585468
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	539250	
(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)		539250
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)	40507	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	20258	
(4) Other	2i(4)	108584	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		169349
j Total expenses. Add all expense amounts in column (b) and enter total	2j		708599
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-2294067
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

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

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

(1) Name: PICKETT, CHANEY & MCMULLEN LLP

(2) EIN: 48-1246310

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		2000000
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.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	X		
4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

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

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

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 463631.

<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>2022</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan THALES COMMUNICATIONS PENSION PLAN		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 THALES DEFENSE & SECURITY, INC.		D Employer Identification Number (EIN) 52-0802860
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): 31-0841368		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3 0
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☒ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	<p>If the total number of participants is 1,000 or more, complete lines (a) through (c)</p> <p>a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%</p> <p>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</p> <p>c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____</p>
20	<p>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.</p> <p>a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No</p> <p>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:</p> <p>☐ Yes.</p> <p>☐ 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.</p> <p>☐ 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.</p> <p>☐ No. Other. Provide explanation _____</p>

THALES COMMUNICATIONS PENSION PLAN

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2022 AND 2021



INDEPENDENT AUDITORS' REPORT

To the Plan Administrator and Participants
of the Thales Communications Pension Plan
Arlington, Virginia

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed an audit of the financial statements of the Thales Communications Pension Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA"), as permitted by ERISA Section 103(a)(3)(C) ("ERISA Section 103(a)(3)(C) audit"). The financial statements comprise the statement of net assets available for benefits as of December 31, 2022 and 2021, and the related statement of changes in net assets available for benefits for the year then ended December 31, 2022, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan ("investment information") by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA ("qualified institution").

Management has obtained certifications from a qualified institution as of December 31, 2022 and 2021, and for the year ended December 31, 2022, stating that the certified investment information, as described in Note 5 to the financial statements, is complete and accurate.

Opinion

In our opinion, based on our audit and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the Financial Statements section:

- The amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- The information in the financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditors' Responsibilities for the Audit of the Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedules Required by ERISA

The supplemental Schedule of Assets as of December 31, 2022 and the supplemental schedule of reportable Transactions for the year ended December 31, 2022 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, is presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

Pickett, Chaney & McMullen LLP

Overland Park, Kansas
October 12, 2023

THALES COMMUNICATIONS PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2022 AND 2021

	2022	2021
ASSETS		
Investments, at fair value:		
Mutual funds	\$ 8,387,255	\$ 10,503,106
Money market fund	<u>227,605</u>	<u>316,861</u>
Total investments	8,614,860	10,819,967
 Contribution receivable	-	88,714
 Accrued investment income	<u>749</u>	<u>8,545</u>
Total Assets	<u>8,615,609</u>	<u>10,917,226</u>
 LIABILITIES		
Accrued expenses	<u>-</u>	<u>7,550</u>
 NET ASSETS AVAILABLE FOR BENEFITS	<u><u>\$ 8,615,609</u></u>	<u><u>\$ 10,909,676</u></u>

See notes to financial statements.

THALES COMMUNICATIONS PENSION PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS YEAR ENDED DECEMBER 31, 2022

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Interest and dividends	\$ 218,151
------------------------	------------

Total additions	218,151
-----------------	---------

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants	539,250
-------------------------------	---------

Net depreciation in fair value of investments	1,811,120
---	-----------

PBGC fees	108,584
-----------	---------

Administrative and management fees	53,264
------------------------------------	--------

Total deductions	2,512,218
------------------	-----------

NET DECREASE	(2,294,067)
--------------	-------------

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year	10,909,676
-------------------	------------

End of year	\$ 8,615,609
-------------	--------------

See notes to financial statements.

THALES COMMUNICATIONS PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2022 AND 2021

1. DESCRIPTION OF THE PLAN

General – The Thales Communications Pension Plan (the “Plan”) is a defined benefit pension plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (“ERISA”) that was established January 1, 1974, for the salaried employees of Thales Communications, Inc., and participating affiliates (the “Company”). Participants should refer to the Plan Document for a more complete description of the Plan’s provisions.

No other employees are eligible to participate under the Plan as participation was closed on December 31, 2002. On December 31, 2002, the accrual of plan benefits was frozen. As a result of freezing the accrual of benefits, each person who was a general participant in the Plan on December 31, 2002, and who was employed by the Company on that date, became fully vested in their accrued benefits as of December 31, 2002.

US Bank, N.A., is the Plan’s trustee and custodian.

Contributions – Employer contributions are based upon actuarial determinations. Under the current provisions of the plan, employees make no contributions. All contributions made by the employer are paid to the trustee and deposited in the trust fund. No contribution was required for 2022.

Retirement Benefits – Participants become eligible for normal retirement on the first day of the month coincident with or next following the employee’s 65th birthday. Early retirement is permitted after age 55 with ten years of vested service.

Upon retirement, participants receive benefits based upon years of credited service, average annual compensation, and covered compensation, as defined by the Plan Document.

Benefit distributions upon normal retirement are in the form of a life annuity for unmarried participants, if an optional payment is not selected. Married participants receive an actuarially reduced 50% joint and survivor annuity. Optional payment forms include single life annuity, 10-year certain, joint and 50% survivor, joint and 75% survivor, joint and 100% survivor or lump sum payment of small amount.

Surviving Spouse Benefits – Upon the death of a vested participant prior to eligibility for early retirement, benefits become payable to the spouse beginning on the participant’s earliest retirement date. The benefit payable to the spouse is equal to the 50% joint and survivor annuity that would have been paid had the participant survived to their earliest retirement date.

Upon the death of a vested participant after reaching eligibility for early retirement, the benefit payable to the spouse equals the benefit that would have been paid had the participant selected the early retirement option. The benefit is payable in the form of a 50% joint and survivor annuity.

Disability Retirement Benefits – In the event that a participant’s employment is terminated as a result of disability, and the participant is eligible to receive a normal or early retirement benefit, they shall receive such benefit.

Administrative Expenses – The Plan or the Company may pay the administrative and Pension Benefit Guaranty Corporation (“PBGC”) insurance premiums of the Plan. During 2022, the Plan paid PBGC fees of \$108,584 and administrative fees of \$53,264.

Plan Termination – Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. Upon termination, the net assets of the Plan will be allocated for payment to the participants in an order of priority as prescribed by ERISA and its related regulations and the Plan document.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan’s net assets to provide for accumulated plan benefits and may also depend on the financial condition of the Company and the level of benefits guaranteed by the PBGC, as well as the priority of those benefits. Some benefits may be fully or partially provided for by the then existing net assets of the Plan and the PBGC guarantee, while other benefits may not be provided for at all.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting – The accompanying financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires of the plan administrator to make estimates and assumptions that affect the reported amounts of assets, liabilities and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition – The Plan’s investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest is accrued when earned.

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

Funding Policy – Annual contributions, as determined by the Plan’s actuary, are made by the Company to fund the Plan and have been computed in accordance with the Unit Credit Actuarial Cost Method. . No contribution was required for 2022.

Payment of Benefits – Benefits to participants are recorded when paid.

Date of Management’s Review – Subsequent events have been evaluated through October 12, 2023, which is the date the financial statements were available to be issued, and there were no material events that required recognition or disclosure.

3. ACCUMULATED PLAN BENEFITS

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

(c) present employees or their beneficiaries. Benefits payable under all circumstances—retirement, death, disability, and termination of employment, are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by the plan's actuary. Significant actuarial assumptions used include the following:

Investment return – 7.25% per annum, compounded annually for 2022 and 2021.

Life expectancy assumptions – For the both years, the Pri-2012 Total Dataset Mortality Projected with Scale MP-2021 with separate rates for employees, retirees, contingent survivor, and disabled participants.

Discount rate – 6.50% for 2022 and 7.25% for 2021.

Estimated expenses – Based on the previous year's administrative expenses, adjusted for the expected change in the PBGC premiums.

The actuarial present value of accumulated plan benefits as January 1 is as follows:

	2023	2022
Vested Benefits:		
Active and terminated participants	\$ 4,210,952	\$ 4,230,620
Retired participants	<u>4,658,644</u>	<u>4,146,793</u>
	8,869,596	8,377,413
Non-Vested Benefits	<u>445</u>	<u>2,240</u>
Total accumulated plan benefits	<u>\$ 8,870,041</u>	<u>\$ 8,379,653</u>

The change in accumulated plan benefits for the year ended December 31, 2022 is as follows:

Actuarial present value of accumulated plan benefits at beginning of period	\$ 8,379,653
Increase (decrease) during the year attributable to:	
Benefits accumulated (including gamis and losses)	(84,315)
Interest due to the decrease in discount period	588,319
Assumption changes	525,634
Benefits paid to participants	<u>(539,250)</u>
Net increase	<u>490,388</u>
Actuarial present value of accumulated plan benefits at end of period	<u>\$ 8,870,041</u>

The change in the discount rate in the actuarial assumptions discussed above resulted in the increase to the accumulated plan benefits of \$525,634.

4. FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs consist of unadjusted quoted prices for identical assets in active markets that the plan has the ability to access.

Level 2 – Inputs consist of 1) quoted prices for similar assets in active markets, 2) quoted prices for identical or similar assets in inactive markets, 3) inputs other than quoted prices that are observable, and 4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset has a specified (contractual) term, the level 2 input must be observable for substantially the full term.

Level 3 – Inputs consist of unobservable inputs where there is little or no market activity, and the reporting entity makes estimates and assumptions related to the pricing of the asset including assumptions regarding risk.

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021:

Mutual Funds and Money Market Fund – Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Plan's investments at December 31, 2022 and 2021 are reported at fair value as follows:

	Fair Value			
	Measurements Using:			
	Level 1	Level 2	Level 3	Total
December 31, 2022:				
Mutual Funds	\$ 8,387,255			\$ 8,387,255
Money Market	227,605			227,605
Investments measured at fair value	\$ 8,614,860	\$ -	\$ -	\$ 8,614,860

Fair Value Measurements Using:				
	Level 1	Level 2	Level 3	Total
December 31, 2021:				
Mutual Funds	\$ 10,503,106			\$ 10,503,106
Money Market	316,861			316,861
Investments measured at fair value	<u>\$ 10,819,967</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,819,967</u>

5. INFORMATION CERTIFIED BY CUSTODIAN

The plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, US Bank, N.A., the custodian of the Plan, has certified that the following data included in the accompanying financial statements is complete and accurate with respect to investments as of December 31, 2022 and 2021, and for the year ended December 31, 2022:

- Investments, at fair value
- Accrued investment income
- Interest and dividends
- Net depreciation on fair value of investments
- Supplemental Schedule of Assets
- Supplemental Schedule of Reportable Transactions

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

6. RISKS AND UNCERTAINTIES

The Plan invests in investment securities, which hold securities including U.S. Government securities, corporate debt instruments, and corporate stocks. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

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

7. TAX STATUS

The IRS has determined and informed the Company by a letter dated July 27, 2014, that the Plan is designed in accordance with applicable sections of the IRC. The Plan administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision has been made in the financial statements for income taxes.

Generally accepted accounting principles requires Plan management to evaluate tax positions taken by the Plan and recognizes a tax liability (or asset) if the Plan has taken an uncertain tax position that more likely than not would not be sustained upon examination by the applicable taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

8. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain Plan expenses are paid to US Bank, N.A. the Plan's custodian, the Plan's ERISA counsel, investment advisor, and actuary. These expenses are party-in-interest transactions.

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Schedule SB, Line 26 - Schedule of Active Participant Data

January 1, 2022 Valuation
Thales Communications Pension Plan
(EIN: 52-0802860; PN: 001)

Attained Age	Years of Credited Service									
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
Under 25	-	-	-	-	-	-	-	-	-	-
25 to 29	-	-	-	-	-	-	-	-	-	-
30 to 34	-	-	-	-	-	-	-	-	-	-
35 to 39	-	-	-	-	-	-	-	-	-	-
40 to 44	-	-	-	-	-	-	-	-	-	-
45 to 49	-	1 (*)	-	-	-	-	-	-	-	-
50 to 54	3 (*)	5 (*)	3 (*)	-	-	-	-	-	-	-
55 to 59	2 (*)	6 (*)	5 (*)	2 (*)	-	-	-	-	-	-
60 to 64	1 (*)	3 (*)	5 (*)	2 (*)	1 (*)	1 (*)	-	-	-	-
65 to 69	-	1 (*)	1 (*)	-	1 (*)	1 (*)	-	-	-	-
70 & up	-	-	-	-	-	1 (*)	1 (*)	-	-	-

* Average compensation is not shown since there are fewer than 1,000 active participants in this plan

Appendix B

Statement of Actuarial Assumptions and Methods

Minimum Funding Annual Interest Rates	24-month segment rates averaged through the end of August 2021 and published in September 2021 (as prescribed by IRC 430) and adjusted to reflect ARPA: <ul style="list-style-type: none">Segment 1 (0 – 5 years) 4.75%Segment 2 (5 to 20 years) 5.18%Segment 3 (more than 20 years) 5.92%Effective Interest Rate 5.33%
Maximum Deductible Annual Interest Rates	24-month segment rates averaged through the end of August 2021 and published in September 2021 (as prescribed by IRC 430) as follows: <ul style="list-style-type: none">Segment 1 (0 – 5 years) 1.07%Segment 2 (5 to 20 years) 2.68%Segment 3 (more than 20 years) 3.36%Effective Interest Rate 2.80%
Annual Expected Return on Assets	Interest Rate for developing Actuarial Value of Assets; limited to third segment rate 7.25% Rationale: As selected by the Plan Sponsor and deemed within range of reasonable expectations.
PBGC Annual Interest Rates	Spot rates for December 2021 published in January 2022 using the Standard Method as follows: <ul style="list-style-type: none">Segment 1 (0 – 5 years) 1.16%Segment 2 (5 to 20 years) 2.72%Segment 3 (more than 20 years) 3.10%Effective Interest Rate 2.75%
Salary Scale	Not applicable for future projections as benefits are frozen.
Mortality	Funding: Mortality as provided in Notice 2020-85 male and female, with different rate for annuitants and nonannuitants (as prescribed by IRC 430). Rationale: Required tables to be used by government mandate.

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods
Thales Communications Pension Plan
January 1, 2022 Valuation
EIN/PN: 52-0802860 / 001

Appendix B (Continued)

Rates of Retirement

<u>Age</u>	<u>Rate</u>
55	12%
56	8
57	6
58	4
59	2
60	6
61	8
62	20
63	14
64	10
65	100

Weighted Average Retirement Age is 64. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Rates of Disability

None.

Rates of Turnover

The probabilities that Participants will terminate before reaching the assumed retirement age are based on age as below.

<u>Age</u>	<u>Rate</u>
40	29.4%
45	17.4
50	10.8
55	1.8
60+	0.0

Assumptions Made In Valuing Spouse's Benefit

Eighty-five percent of the male employees and fifty percent of the female employees included in the valuation are assumed to be married. This percentage is used as the probability that survivor benefits will be payable due to preretirement deaths. The wife is assumed to be three years younger than the husband.

Optional Form Selection

All employees are assumed to elect the normal form of payment.

Provision for Expenses

The expected administrative (i.e. non-investment) expenses that will be paid from plan assets, which were assumed to equal actual expenses during the prior year adjusted for expected change in PBGC premium, were included in the Target Normal Cost for minimum contribution purposes.

Annual Increases to Maximum Benefits and Plan Compensation Limits and Social Security

N/A

Appendix B (Continued)

Standing Elections	The client has not signed an election that provides for the automatic use of the Carryover Balance and/or Prefunding Balance if necessary to meet the minimum funding requirement.
Asset Method	Funding: Market Value of Assets plus interest adjusted accrued but unpaid contributions as of the valuation date plus an adjustment to defer full recognition of investment losses and gains over a two-year period. The investment (gain)/loss for every year equals the market value at the beginning of the year projected to the end of the year using the interest rate above, but no greater than the third segment rate for the plan year, minus the end of the year actual market value. The actuarial value of assets will be no less than 90% and no more than 110% of the market value (including interest-adjusted accrued but unpaid contributions). Note that due to the regulatory constraint on the interest rate, a characteristic of this asset valuation method is that, over time, it may be more likely to produce an actuarial value of assets that is less than the market value of assets.
Funding Method	Pure Unit Credit
Employees Valued	Only participants as of the valuation date were valued.
Changes in Assumptions and Methods since the Last Actuarial Valuation	<p>The interest rates used for determining the funding target were 4.75%, 5.36% and 6.11%. These rates were updated to the rates required for the current plan year.</p> <p>The mortality table for the funding target was changed as required under PPA '06.</p>
Justification for Changes in Actuarial Assumptions	The only assumption changes were to prescribed actuarial assumptions or as a result of At-Risk status. Therefore, the plan did not need IRS approval to change assumptions and there is no need to disclose any "Change in Actuarial Assumptions."

THALES COMMUNICATIONS PENSION PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4j - SCHEDULE OF REPORTABLE
TRANSACTIONS FOR THE YEAR ENDED DECEMBER 31, 2022

EMPLOYER IDENTIFICATION NUMBER: 52-0802860

PLAN IDENTIFICATION NUMBER: 001

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Trans Date	Net Gain or Loss
Single Transactions:						
	None					
Series Transactions:						
First Am Gov Oblig Fund	Money Market					
	Purchases	\$624,766		\$ 624,766	\$ 624,766	
	Sales		\$ 714,022	714,022	714,022	\$ -

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

▶ **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 THALES COMMUNICATIONS PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF THALES Defense & Security, INC.	D Employer Identification Number (EIN) 52-0802860
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 2022	
2 Assets:	
a Market value	2a 10,916,388
b Actuarial value	2b 10,564,512
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants 44 (2) Vested Funding Target 4,797,294 (3) Total Funding Target 4,797,294
b For terminated vested participants.....	89 3,510,782 3,510,782
c For active participants	46 1,629,683 1,629,683
d Total.....	179 9,937,759 9,937,759
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 5.33%
6 Target normal cost.....	
a Present value of current plan year accruals.....	6a 0
b Expected plan-related expenses	6b 140,882
c Total (line 6a + line 6b)	6c 140,882

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	Matthew R. Klein 	9-18-2023
	Signature of actuary	Date
MATTHEW R. KLEIN	Type or print name of actuary	2306865
		Most recent enrollment number
USI Consulting Group	Firm name	216-875-1900
		Telephone number (including area code)
1001 Lakeside Avenue SUITE 1200 CLEVELAND OH 44114	Address of the firm	

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

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

Schedule SB (Form 5500) 2022
v. 220413

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)	34,015	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)	34,015	0
10 Interest on line 9 using prior year's actual return of <u>8.75</u> %	2,976	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		21,738
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>5.51</u> %		1,198
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		22,936
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)	36,991	0

Part III Funding Percentages

14 Funding target attainment percentage	14	105.93 %
15 Adjusted funding target attainment percentage	15	106.30 %
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	95.89 %
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	
0	0	0	0	0

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21	Discount rate:		
a	Segment rates:	<div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; padding: 2px; text-align: center;">1st segment: 4.75 %</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">2nd segment: 5.18 %</div> <div style="border: 1px solid black; padding: 2px; text-align: center;">3rd segment: 5.92 %</div> </div>	☐ N/A, full yield curve used
b	Applicable month (enter code)	21b	4
22	Weighted average retirement age	22	64
23	Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute		
Part VI	Miscellaneous Items		
24	Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No		
25	Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No		
26	Demographic and benefit information		
a	Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
b	Is the plan required to provide a projection of expected benefit payments? 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 6c)	31a	140,882
b	Excess assets, if applicable, but not greater than line 31a	31b	140,882
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment	0	0
b	Waiver amortization installment	0	0
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34
			0
35	Balances elected for use to offset funding requirement	0	0
36	Additional cash requirement (line 34 minus line 35)		36
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)	38a	0
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39
40	Unpaid minimum required contributions for all years		40
			0
Part IX	Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)		
41	If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☐ 2019 ☐ 2020 ☒ 2021		

Schedule SB, Line 22 – Description of Weighted Average Retirement Age
Thales Communications Pension Plan
January 1, 2022 Valuation
EIN/PN: 52-0802860 / 001

Rates of Retirement

<u>Age</u>	<u>Rate</u>
55	12%
56	8
57	6
58	4
59	2
60	6
61	8
62	20
63	14
64	10
65	100

Weighted Average Retirement Age is 64. This is the average retirement age for someone eligible to retire at all ages using the assumed retirement rates and no other decrements.

Appendix A

Summary of Principal Plan Provisions

Plan Sponsor	Thales Communications, Inc.
EIN/PN	52-0802860/001
Effective Date	January 1, 1974; last amended and restated January 1, 2013.
Plan Year	The 12-month period beginning each January 1.
Participation	Age 21 and one year of service. Participation was frozen 12/31/2002.
Compensation	Basic compensation paid to Employee by Employer, including overtime pay, bonuses, commissions and contributions to any salary reduction agreement with the Employer to any defined contribution plan.
Final Average Compensation	<p>The average monthly rate of earnings for the five consecutive Plan Years, out of the last ten Plan Years beginning on or before the date his service terminates for any reason which yields the highest monthly average.</p> <p>Final Average Compensation was frozen as of 12/31/2002.</p>
Covered Compensation	Average of the Social Security taxable wage bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the participant attains his Social Security Retirement Age.
Credited Service	Sum of (a) plus (b) where (a) equals credited service accrued as of December 31, 1988 under terms of the Plan in effect on such date and (b) equals Period of Service accrued on or after the latest of January 1, 1989, the Participant's Eligibility Date, or the Effective Date of the Plan.
Vesting Service	Sum of (a) plus (b) where (a) equals Vesting Service accrued as of December 31, 1988 and (b) equals the Participant's Period of Service, omitting any fractional years. Period of Service equals periods beginning on later of Employee's Employment Commencement Date or January 1, 1989.
Accrued Benefit	<p>The accrued benefit at any point in time is the sum (A) and (B) multiplied by a ratio, not to exceed one, of (C) divided by (D). In no event will the accrued benefit be less than the December 31, 1988 accrued benefit.</p> <p>(A) 25% of final average earnings below covered compensation. (B) 45% of final average earnings in excess of covered compensation. (C) Credited Service at the point of time of the determination. (D) 30 years for employees born before 1955 and 31 for employees born in 1955 or later.</p>

All benefits were frozen as of 12/31/2002.

Appendix A (Continued)

Normal Retirement Benefit

Eligibility:

Age 65 and 5 years of participation.

Monthly Benefit:

The Accrued Benefit.

Delayed Retirement Benefit

Eligibility:

Past Normal Retirement.

Monthly Benefit:

The Accrued Benefit as of the Delayed Retirement Date

Early Retirement Benefit

Eligibility:

Age 55 and 10 years of Vesting Service.

Monthly Benefit:

The Accrued Benefit actuarially reduced based on plan equivalence factors.

Disability Retirement Benefit

Eligibility:

Total and permanent disability.

Monthly Benefit:

The Accrued Benefit based on Earnings assumed to be level at the time of disability. Disabled participants continue to earn benefit service up until retirement.

Termination Benefit

Eligibility:

Upon termination of employment prior to retirement but after completion of at least five years of service a participant is 100% vested in his Accrued Benefit.

Monthly Benefit:

The vested benefit commences in full at age 65, or, if the employee had 10 years of Credited Service at termination, in a reduced amount actuarially adjusted for early payment.

Appendix A (Continued)

Death Benefit

Eligibility:

Any participant with 10 years of Service and who has been married for at least one year prior to his or her death.

Monthly Benefit:

50% of the monthly benefit vested on the date of death, adjusted as appropriate for early commencement and the 50% Joint and Survivor Annuity form of payment, commencing on the later of (a) the participant's earliest retirement age or (b) the participant's death.

Normal Form of Annuity

Life Annuity for single participants and a reduced 50% Joint & Survivor for married participants.

Optional Forms of Benefits

The following optional forms are available under this plan: Life Annuity; Social Security Level Income Option; Period Certain and Continuous Annuity, with 120-month guarantee; Joint and Survivor Annuity, with either 50%, 75% or 100% continuation.

All optional forms are actuarially equivalent to the Normal Form based on the Applicable Mortality Table and Interest rate required by IRC Section 417(e).

Benefits Available as Lump Sum

This plan pays automatic small benefit amounts (lump sums less than \$5,000). Lump sums are calculated using the Applicable Mortality and Applicable Interest rate required by IRC Section 417(e).

Funding of Plan

The employer pays the entire cost of the plan.

Changes in Plan Provisions Since the Prior Valuation

None.

THALES COMMUNICATIONS PENSION PLAN

FORM 5500, SCHEDULE H, PART IV, LINE 4i
SCHEDULE OF ASSETS (HELD AT END OF YEAR) - AS OF DECEMBER 31, 2022
EMPLOYER IDENTIFICATION NUMBER: 52-0802860
PLAN IDENTIFICATION NUMBER: 001

(a)	(b)	(c)	(d)	(e)
Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	Cost	Current Value	
First American Government Obligation Fund	Money Market	\$ 227,605	\$ 227,605	
Invesco Developing Markets	Mutual Fund	253,378	184,825	
William Blair International Growth Fund	Mutual Fund	363,004	366,591	
Goldman Sachs Small Cap Val Insights	Mutual Fund	229,568	207,703	
Loomis Sayles Small Co Growth	Mutual Fund	304,439	223,710	
Merger Fund	Mutual Fund	448,874	437,094	
Transamerica International Equity I	Mutual Fund	396,747	374,030	
Vanguard MidCap Index Fund	Mutual Fund	307,217	427,486	
Vanguard 500 Index Fund	Mutual Fund	1,226,535	1,706,243	
Cliffwater Corp Lending I	Mutual Fund	429,499	423,162	
Federated Hermes Total Return Bond Fund	Mutual Fund	1,258,366	1,075,505	
JPMorgan Strategic Income Opps Fund	Mutual Fund	443,235	437,058	
Pimco Diversified Income	Mutual Fund	570,440	509,081	
PGIM Investment Global Real Estate Fund	Mutual Fund	1,306,730	1,067,932	
Vanguard Fixed Income LongTerm Inv Grade	Mutual Fund	696,428	525,108	
Vanguard Long Term Government Bond Fund	Mutual Fund	530,341	421,727	
Total Mutual Funds		<u>8,764,801</u>	<u>8,387,255</u>	
Total Investments		<u>\$8,992,406</u>	<u>\$ 8,614,860</u>	

* Represents a party-in-interest (none).

Schedule SB, Line 32 – Schedule of Amortization Bases
Thales Communications Pension Plan
January 1, 2022 Valuation
EIN/PN: 52-0802860 / 001

Exhibit VIII

Schedule of Amortization Bases

Shortfall Amortization Bases

Date Established	Present Value of Payments	Remaining Years	Amortization Installment
1/1/2022	\$ <u>0</u>	15	\$ <u>0</u>
Total	\$ 0		\$ 0

Waiver Amortization Bases

Date Established	Present Value of Payments	Remaining Years	Amortization Installment
1/1/2022	\$ <u>0</u>	N/A	\$ <u>0</u>
Total	\$ 0		\$ 0