



## Report for RAYTHEON SAVINGS AND INVESTMENT PLAN

Plan Year: 2017

Plan #:026

### CONTACT INFORMATION

**Sponsor Name:** RAYTHEON COMPANY

**Employer ID #:** 95-1778500

**Address:** 870 Winter St  
Waltham, MA 02451

**Phone:** (781) 522-3000

**Website:**

#### **HUMAN RESOURCES**

Ms. Randa G Newsome

*Vice President Human Resources*

#### **FINANCE**

Mr. Anthony F OBrien

*Vice President Chief Financial Officer*

#### **EMPLOYEE BENEFITS**

Mr. Thomas A Kennedy

*Chairman and Chief Executive Officer*

#### **ACCOUNTANT**

PRICEWATERHOUSECOOPERS LLP

*Accountant*

**Plan Renewal Date:** 1/1/2018

**Estimated Filing Date:** 09/2019

### PLAN TYPE FEATURES



2H DC: Partial part. directed

2J DC: 401(k)

2K DC: 401(m)

2O DC: ESOP

SPONSOR'S OTHER PLANS	Year
RAYTHEON COMPANY PENSION PLAN FOR HOURLY EMPLOYEES	2017
RETIREMENT PLAN FOR HOURLY EMPLOYEES OF THE GREENVILLE DIVISION OF E-SYSTEMS INC	2017
RAYTHEON NONBARGAINING RETIREMENT PLAN	2017
D.C. HEATH AND COMPANY GROUP ANNUITY PLAN (FROZEN PLAN)	2017
RAYTHEON COMPANY PENSION PLAN FOR SALARIED EMPLOYEES	2017
RAYTHEON BARGAINING RETIREMENT PLAN	2016
SENSINTEL INC. 401(K) PROFIT SHARING PLAN & TRUST	2015
RAYTHEON MARINE SYSTEMS RETIREMENT PLAN	2013
RETIREMENT PLAN FOR HOURLY EMPLOYEES OF RAYTHEON NCS-FLORIDA	2012
RETIREMENT PLAN FOR HOURLY EMPLOYEES OF RAYTHEON IIS - GARLAND	2012

RED FLAGS	
 <b>High Average Account Balance</b>	A high average account balance could indicate that the plan has many workers who are nearing retirement.
 <b>High Percentage of Retirees</b>	A high percentage of this plans participants are retired. The plan sponsor may be interested in rolling over the assets to individual retirement accounts.

**PLAN FINANCIALS**

	Current	1 Year	3 Year *	5 Year*
<b>Total Assets</b>	\$18,610,462,205	15.08%	22.87%	49.83%
<b>Average Account Balance</b>	\$233,468	12.36%	20.71%	61.20%
<b>Rate of Return</b>	-	16.80%	8.62%	10.61%
<b>Rate of Return vs S&amp;P500</b>	-	-5.02%	-2.78%	-5.17%
<b>Rate of Return vs National Average</b>	-	1.49%	0.93%	1.63%
<b>Rate of Return vs Peer Group</b>	-	0	0	0
<b>Employee Contributions Per Participant</b>	\$11,704	-7.17%	14.57%	21.05%
<b>Employer Contributions Per Participant</b>	\$5,164	4.14%	7.44%	17.00%

\* Annualized Returns

**Employee vs. Employer Contributions**

**Employer Contributions (Total):** \$302,834,661

**Employee Contributions (Total):** \$686,304,899



- **69% Employee Contributions**  
\$686,304,899
- **31% Employer Contributions**  
\$302,834,661

**PARTICIPANT INFORMATION**

	Current	1 Year	3 Year	5 Year
<b>Total Active Participants</b>	58640	1.75%	2.66%	-6.97%
<b>Total Eligible Participants</b>	84158	2.65%	1.16%	-7.70%
<b>Participants with Account Balance</b>	54944	1.31%	3.51%	-6.30%
<b>Eligible but not Participating Employees</b>	4445	7.03%	-8.91%	-17.92%
<b>Retirees Currently Receiving or Entitled to Benefits</b>	24769	4.97%	-1.83%	-8.66%
<b>Participation Rate</b>	95%	-0.22%	0.62%	0.70%

**Participant Information Chart**



- **65% Active with Balance**  
54,944 Participants
- **5% Eligible, w/o Balance**  
4,445 Participants
- **29% Retired**  
24,769 Participants

**PLAN PROVIDERS**

	Current	1Year	3 Year	5 Year
<b>Administrative Fees Per Participant</b>	\$132	9.88%	15.99%	286.24%
<b>Investment Management Fees</b>	\$0	0	0	0

**Schedule C Section 1: Eligible Indirect Compensation:**

EIN	Name
04-2647786	FIDELITY



**Report for RAYTHEON SAVINGS AND INVESTMENT PLAN**

Plan Year: 2017

Plan #:026

**Schedule C Section 2: Directly or Indirectly Compensated Providers:**

EIN	Name	Service Code(s)	Direct Comp.	Indirect Comp.?	Indirect Including Eligible?	Indirect Comp. Amount
77-0473565	FINANCIAL ENGINES	27:Investment advisory (plan)	\$7,680,704	No	No	\$0
94-3250323	FINANCIAL ENGINES	99:Other (specify)	\$454,050	No	No	\$0
13-4008324	PRICEWATERHOUSECO OPERS LLP	10:Accounting (including auditing)	\$175,679	No	No	\$0
04-2647786	FIDELITY	37:Participant loan processing 64:Recordkeeping fees 65:Account maintenance fees 71:Securities brokerage commissions and fees	\$2,950,183	Yes	Yes	\$0

**Schedule C Section 3: Further Information on some providers listed in Section2:**

Provider Name	Service Code(s)	Ind. Comp	Source EIN	Ind.Comp. Source	Comp. Desc.
FIDELITY	60:Sub-transfer agency fees	\$0	04-2647786	PIF DVRSD REAL AST I- PRN SHRHLD SV	0.10%

**Schedule D DFE Information:**

EIN	Name	DFE Sponsor	Service Code	Amount Invested
45-6138589	NT ACWI EX-US IDX DC	NORTHERN TRUST GLOBAL INVESTMENTS	C	\$1,625,995,371
45-6138589	NT RUSSEL 2000 INDEX	NORTHERN TRUST GLOBAL INVESTMENTS	C	\$970,148,507
26-4757506	OAKMARK GLOBAL	HARRIS ASSOCIATES	C	\$314,013,270
45-6138589	NT S & P500 INDEX FUND	NORTHERN TRUST GLOBAL INVESTMENTS	C	\$3,107,375,545
45-6138589	NT AGGREG BOND INDEX	NORTHERN TRUST GLOBAL INVESTMENTS	C	\$1,183,486,083



**PLAN SCORECARD**

The Plan Score summarizes each plan's overall performance compared to that of other plans nationwide, based on data on its most recent form 5500. The Plan Score is out of 100. A good score, meaning the plan is performing well compared to its peers, is anything over 75 and will appear in green. A moderate score is between 50 and 75 and will appear in yellow. A low score, meaning the plan is performing poorly compared to its peers, is anything below 50 and will appear in red. Plans with low scores may be more receptive to changing providers and other vendors.

**National Plan Score**

67

State **N/A** Industry **N/A** Assets **N/A** Participants **N/A**

METRIC	ACTUAL VALUE	RANK (out of 100)
<p><b>Rate of Return</b> This is the growth rate of the underlying investments of the plan over the most recent plan year, excluding contributions.</p>	17%	<b>61</b>
<p><b>Participation Rate</b> The ratio of active plan participants to the total number of eligible employees.</p>	95%	<b>65</b>
<p><b>Participant Loans as a Percentage of Plan Assets</b> Indicates whether plan participants are borrowing excessively from their retirement accounts.</p>	1%	<b>62</b>
<p><b>Average Participant Contributions</b> The average amount of money that each plan participant contributes to the plan.</p>	\$11,704	<b>94</b>
<p><b>Change in Average Participant Contributions</b> The size of the increase or decrease in participant contributions since the previous plan year, on a per-participant basis.</p>	-7%	<b>32</b>
<p><b>Average Employer Contributions per Participant</b> The average amount of money the employer contributes to the plan for each participant.</p>	\$5,164	<b>84</b>
<p><b>Change in Average Employer Contributions</b> The size of the increase or decrease in average employer contribution per participant since the previous plan year.</p>	4%	<b>59</b>

**TALKING POINTS INFORMATION****This plan has a lot of retirees.**

A large percentage of plan participants in this plan are actually retirees, receiving benefits from the plan. Depending on how the plan is structured, the sponsor may be paying some or all of the administrative costs for these retirees.

This plan sponsor may welcome an advisor who can help work with these retirees to roll their money out of the plan and into an IRA.

**This plan may not be 404(c) compliant, and liable for poor investments made by plan participants.**

There are a series of codes on the 5500 for any retirement plan. One of those codes (2F) indicates that the plan is 404(c) compliant, thus shielding plan fiduciaries from certain liabilities related to investment performance.

This plan has NOT indicated that code on its 5500. This may be a simple oversight, but it may mean that the fiduciaries are not protected.

**ACTUARY INFORMATION**

**This sponsor has no actuary information.**