The Employee Retirement Income Security Act of 1974 (ERISA) requires National Technology & Engineering Solutions of Sandia LLC (NTESS) to furnish a Summary Annual Report for covered benefit plans to all participants and beneficiaries. A listing of all benefit plans required to file financial information with the Department of Labor is on page two.

The attached Summary Annual Report summarizes the financial information of benefit plans for plan year 2018, as required by the Department of Labor.

A benefit plan summarized in this report may or may not be applicable to each participant or beneficiary.

For questions about this document, please contact HR Customer Service at (505) 844-4237, option 2.
SUMMARY ANNUAL REPORTS

These are summaries of the Annual Reports for NTESS benefit plans, Employer Identification Number (EIN) 85-0097942, for the Plan year ending December 31, 2018:

- Savings and Income Plan (401(k) Plan)
- Basic Group Term Life Insurance Plan
- Basic Supplemental Group Term Life Insurance Plan
- Accident/Business Travel Accident Insurance Plan for Non-Represented Employees
- Accident/Business Travel Accident Insurance Plan for Represented Employees
- Non-Occupation Illness/Injury While on Travel Status Plan
- Health & Work/Family Benefit Plans: Long-Term Disability/Disability Plus
- Primary Group Term Life Insurance Plan
- Voluntary Term Life Insurance Plan
- Employee Voluntary Separation Incentive Plan Termination Pay Plan
- Health Benefits Plan for Employees including HMSA Blue Cross Blue Shield of Hawaii
- Health Plan for Retirees including Humana, Kaiser Foundation Health Plan, Inc., and Presbyterian Insurance Company Inc.
- Long Term Care Plan
- Dependent Group Life Insurance Plan
- Voluntary Group Accident Insurance Plan
- Flexible Spending Accounts Plan

The Annual Report for each plan listed has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

NTESS SAVINGS AND INCOME PLAN: PN 008

Basic Financial Information

Benefits under the Plan are provided by the NTESS Savings and Income Plan/Trust. Plan expenses were $298,823,916. These expenses included $2,967,943 in administrative expenses and $295,855,973 in benefits paid to participants and beneficiaries. A total of 15,169 persons were participants in or beneficiaries of the Plan at the end of the Plan year, although not all of these persons had yet earned the right to receive benefits.

The value of Plan assets, after subtracting liabilities of the Plan, was $3,750,177,114 as of December 31, 2018, compared to $3,972,182,107 as of January 1, 2018. During the Plan year, the Plan experienced a decrease in its net assets of $222,004,993. This decrease includes unrealized appreciation or depreciation in the value of Plan assets; that is, the difference between the value of the Plan’s assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The Plan had total income of $76,818,923, including employer contributions of $93,327,224, employee contributions of $148,767,428, other contributions of $17,656,567, gains of $153,147 from the sale of assets, and losses from investments of $183,085,443.
Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. An accountant’s report;
2. Assets held for investment;
3. Financial information and information on payments to service providers;
4. Information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the Plan participates.

To obtain this information, please refer to page eight of this report for instructions.

NTESS BASIC GROUP TERM LIFE INSURANCE PLAN: PN 506

The Plan has a contract with the Prudential Insurance Company of America to pay all covered life insurance claims incurred under the terms of the Plan. The total premiums paid for the Plan year ending December 31, 2018, were $4,485,195.

Because it is deemed an “experience-rated” contract, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the plan year ending December 31, 2018, the premiums paid under such “experience-rated” contract were $4,485,195, and the total of all benefit claims paid under the experience-rated contract during the plan year was $5,366,427.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

NTESS BASIC SUPPLEMENTAL GROUP TERM LIFE INSURANCE PLAN: PN 507

The Plan has a contract with the Prudential Insurance Company of America to pay all covered life insurance claims incurred under the terms of the Plan. The total premiums paid for the Plan year ending December 31, 2018 were $3,360,055.

Because it is deemed an “experience-rated” contract, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the plan year ending December 31, 2018, the premiums paid under such “experience rated” contract were $3,360,055 and the total of all benefit claims paid under the experience-rated contract during the plan year was $4,578,022.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.
Summary Annual Report

NTFESS ACCIDENT/BUSINESS TRAVEL ACCIDENT INSURANCE FOR NON-REPRESENTED EMPLOYEES PLAN: PN 508

This Plan has a contract with AXIS Insurance Company to pay all covered accidental death and dismemberment claims incurred under the terms of the Plan. The total premiums paid for the plan year ending December 31, 2018, were $144,740.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

NTFESS ACCIDENT/BUSINESS TRAVEL ACCIDENT INSURANCE FOR REPRESENTED EMPLOYEES PLAN: PN 509

This Plan has a contract with AXIS Insurance Company to pay all covered accidental death and dismemberment claims incurred under the terms of the Plan. The total premiums paid for the plan year ending December 31, 2018, were $17,068.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

NTFESS NON-OCCUPATION ILLNESS/INJURY WHILE ON TRAVEL STATUS PLAN, PN 514

NTFESS has committed itself to pay for claims incurred for non-occupation illness/injury while on travel, under the terms of the plan.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. To obtain this information, please refer to page eight of this report for instructions.

NTFESS HEALTH AND WORK/FAMILY BENEFIT PLANS: LONG TERM DISABILITY/DISABILITY PLUS, PN 519

The Plan has a contract with UNNUM Life Insurance Company of America to pay all covered long-term disability claims incurred under the terms of the Plans. The total premiums paid for the Plan year ending December 31, 2018, were $3,933,358.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

Exceptional service in the national interest
NTESS PRIMARY GROUP TERM LIFE INSURANCE PLAN: PN 520

The Plan has a contract with the Prudential Insurance Company of America to pay all covered life insurance claims incurred under the terms of the Plan. The total premiums paid for the Plan year ending December 31, 2018, were $5,181,639.

Because it is deemed an “experience-rated” contract, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the plan year ending December 31, 2018, the premiums paid under such “experience-rated” contract were $5,181,639, and the total of all benefit claims paid under the experience-rated contract during the plan year was $1,898,190.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

NTESS VOLUNTARY TERM LIFE INSURANCE PLAN: PN 521

The Plan has a contract with Metropolitan Life Insurance Company to pay all covered life insurance claims incurred under the terms of the Plan. The total premiums paid for the Plan year ending December 31, 2018, were $5,538,364.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

NTESS EMPLOYEE VOLUNTARY SEPARATION INCENTIVE PLAN, PN 525

NTESS has committed itself to pay voluntary separation incentive claims incurred under the terms of the plan.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. To obtain this information, please refer to page eight of this report for instructions.

NTESS TERMINATION PAY PLAN, PN 535

NTESS has committed itself to pay termination pay claims incurred under the terms of the plan.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. To obtain this information, please refer to page eight of this report for instructions.
NTESS HEALTH BENEFITS PLAN FOR EMPLOYEES: HMSA BLUE CROSS BLUE SHIELD OF HAWAII, PN 540

The Plan has a contract with HMSA Blue Cross Blue Shield of Hawaii to pay all covered health care claims incurred under the terms of the Plan. The total premiums paid under this contract for the Plan year ending December 31, 2018, were $17,142.48.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

NTESS HEALTH PLAN FOR RETIREES:

Humana, Kaiser Permanente Senior Advantage Plan, and Presbyterian Medicare HMO/POS, PN 545

The Plan has contracts with Humana, Kaiser Foundation Health Plan, Inc., and Presbyterian Insurance Company Inc. to pay all covered health care claims incurred under the terms of the Plan. The total premiums paid under these contracts for the Plan year ending December 31, 2018, were:

- Humana $964,823.10
- Kaiser Foundation Health Plan HMO CT $1,023,873.77
- Presbyterian Insurance Company Inc. $8,561,954.70

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

NTESS LONG TERM CARE PLAN: PN 550

The Plan has contracts with John Hancock Life Insurance Company and Mutual of Omaha Insurance Company to pay all covered long-term care claims incurred under the terms of the Plan. The total premiums paid under these contracts for the Plan year ending December 31, 2018, were:

- John Hancock $866,779.68
- Mutual of Omaha $415,598.00

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

Exceptional service in the national interest
NTESP DEPENDENT GROUP LIFE INSURANCE PLAN: PN 556

The Plan has a contract with Metropolitan Life Insurance Company to pay all covered life insurance claims incurred under the terms of the Plan. The total premiums paid for the Plan year ending December 31, 2018, were $194,903.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

NTESP VOLUNTARY GROUP ACCIDENT INSURANCE PLAN: PN 557

The Plan has a contract with Metropolitan Life Insurance Company to pay all covered accidental death and dismemberment claims incurred under the terms of the Plan. The total premiums paid for the Plan year ending December 31, 2018, were $473,763.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. The insurance information, including sales commissions paid by insurance carriers, is included in Schedule A of that report. To obtain this information, please refer to page eight of this report for instructions.

NTESP FLEXIBLE SPENDING ACCOUNT PLAN, PN 565

NTESP has committed itself to pay flexible spending account claims incurred under the terms of the plan.

Your Rights to Additional Information

You have the right to receive a copy of the full Annual Report, or any part thereof, on request. To obtain this information, please refer to page eight of this report for instructions.
Summary Annual Report

HOW TO OBTAIN COPIES OR EXAMINE REPORTS

For questions about this document, please contact HR Customer Service at (505) 844-4237.

To obtain a copy of a full Annual Report, or any part thereof, write or call the office of:

Leah Mitchell, Senior Manager  
Retirement Investment & Fin. Assurance Department 10520  
P.O. Box 5800, MS 1302  
Albuquerque, NM 87185  
(505) 845-9222  

or

Mary Romero Hart, Senior Manager  
Total Rewards Department 3510  
P.O. Box 5800, MS 1021  
Albuquerque, NM 87185  
(505) 284-9660

The charge to cover copying costs will be $.10 per page after the first ten pages which are free of charge.

You have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan(s) and accompanying notes, or a statement of income and expenses of the plan(s) and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual reports at the NTESS Offices of Departments 10520 and 3510, located in Albuquerque, New Mexico, or Department 8519, located in Livermore, California, and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.
PAPERWORK REDUCTION ACT STATEMENT

According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average less than one minute per notice (approximately 3 hours and 11 minutes per plan). Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Office of the Chief Information Officer, Attention: Departmental Clearance Officer, 200 Constitution Avenue, N.W., Room N-1301, Washington, DC 20210 or email DOL_PRA_PUBLIC@dol.gov and reference the OMB Control Number 1210-0040.

OMB Control Number 1210-0040 (expires 06/30/2022)