

NOTICE TO INTERESTED PARTIES

with respect to

SANDIA CORPORATION RETIREMENT INCOME PLAN

SANDIA CORPORATION SAVINGS AND INCOME PLAN

(the “Plan” or “Plans”)

January 20, 2013

NOTICE TO PARTICIPANTS IN THE ABOVE-REFERENCED PLANS AND TO

EMPLOYEES OF

Sandia Corporation

An application is to be made to the Internal Revenue Service for a determination that the above-referenced Plans and their related trusts satisfy the qualification requirements of sections 401 and 501 of the Internal Revenue Code of 1986, as amended. The application will be filed on January 30, 2013 with EP Determinations, Internal Revenue Service, 201 West Rivercenter Blvd., Attn: Extracting Stop 312, Covington, KY 41011.

The Internal Revenue Service previously issued a favorable determination letter with respect to each of the above-referenced Plans. The Plan Sponsor and Applicant for each of the above-referenced plans is Sandia Corporation (“Sandia”). Sandia’s Employer Identification Number is 85-0097942 and Sandia’s address is P.O. Box 5800, Mail Stop 1022, Albuquerque, NM 87185-1022. The Plan Administrator for each of the above referenced Plans is the Employee Benefits Committee (“Committee”). Correspondence to the Committee can be sent c/o Sandia at the above-referenced address.

The Attachment at the end of this Notice contains the Plan Number for each Plan covered by this Notice, and a general description of employees eligible to participate in each Plan covered by this Notice.

RIGHTS OF INTERESTED PARTIES

You have the right to submit to EP Determinations, Internal Revenue Service, 201 West Rivercenter Blvd., Attn: Extracting Stop 312, Covington, KY 41011, either individually or jointly with other interested parties, your comments as to whether a plan referenced above meets the qualification requirements of the Internal Revenue Code.

You may instead, individually or jointly with other interested parties, request the Department of Labor to submit, on your behalf, comments to EP Determinations regarding qualification of a plan referenced above. If the Department declines to comment on all or some of the matters you

raise, you may, individually (or jointly if your request was made to the Department jointly) submit your comments on these matters directly to EP Determinations.

REQUESTS FOR COMMENTS BY THE DEPARTMENT OF LABOR

The Department of Labor may not comment on behalf of interested parties unless requested to do so by the lesser of 10 employees or 10% of the employees who qualify as interested parties. The number of persons needed for the Department to comment with respect to a plan referenced above is 10. If you request the Department to comment, your request must be in writing and must specify matters upon which comments are requested, and must also include:

1. The plan name, plan number, applicant's name and address and applicant's employer identification number as listed above and in the Attachment to this Notice.
2. The number of persons needed for the Department to comment.
3. A request to the Department to comment should be addressed as follows:

Deputy Assistant Secretary
Employee Benefits Security Administration
ATTN: 3001 Comment Request
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, D.C. 20210

COMMENTS TO THE INTERNAL REVENUE SERVICE

Comments submitted to EP Determinations must be in writing and received by EP Determinations by the 45th day after the day on which the application for determination is received by EP Determinations. However, if there are matters that you request the Department of Labor to comment upon on your behalf, and the Department declines, you may submit comments on these matters to EP Determinations to be received by them within 15 days from the time the Department notifies you that it will not comment on a particular matter, or by the 45th day after the day on which the application for determination is received by EP Determinations, whichever is later, but in any event not after the 60th day after the date on which the application for determination is received by EP Determinations.

A request to the Department to comment on your behalf must be received by the Department by the 15th day after the day the application for determination is received by EP Determinations if you wish to preserve your right to comment on a matter upon which the Department declines to comment, or by the 25th day after the day the application for determination is received by EP Determinations, if you wish to waive that right.

ADDITIONAL INFORMATION

Detailed instructions regarding the requirements for notification of interested parties may be found in sections 17 and 18 of Revenue Procedure 2012-6. Additional information concerning the applications, including an updated copy of the plans and their related trusts, the applications

for determination, any additional documents dealing with the applications that have been submitted to the Internal Revenue Service, and copies of section 17 of Revenue Procedure 2012-6 are available during normal business hours for inspection and copying from the Sandia Human Resources Department located at 1515 Eubank SE, Albuquerque, New Mexico 87123. The telephone number is 505-284-2168. (There is a nominal charge for copying and/or mailing.)

cc: Atomic Projects and Production Workers, Metal Trades Council, AFL-CIO

Office and Professional Employees International Union, local 251, AFL-CIO

Security Police Association, Local 7002 of the International Union of Police Associations

**ATTACHMENT TO NOTICE TO INTERESTED PARTIES
for
PLANS LISTED BELOW**

PLAN NAME & PLAN NUMBER	ELIGIBLE EMPLOYEES
<p>Sandia Corporation Retirement Income Plan</p> <p>Plan # 006</p>	<p>Effective January 1, 2013 (“Merger Date”), the Sandia Corporation Pension Security Plan (“PSP”) was merged into the Sandia Corporation Retirement Income Plan (“RIP”). Prior to the Merger Date, the RIP and the PSP were closed to New Hires and Rehires, as defined in the PSP and the RIP. An individual who was an “eligible employee” within the meaning of the PSP on the day before the Merger Date became an eligible employee under RIP on the Merger Date. Eligible employees with respect to RIP include common-law employees of Sandia whose employment is not-governed by the terms of a collective bargaining agreement and common-law employees of Sandia whose employment is governed by the terms of a collective bargaining agreement that provides for participation in RIP. The following are <i>not eligible employees</i>: a leased employee, a non-resident alien with no United States source income, an individual who is eligible to participate in another defined benefit pension plan sponsored by Sandia, an employee on loan from another affiliated company who is accruing service credit under another pension plan of that affiliated company, a student intern, a faculty sabbatical employee, a recurrent (on call) Employee, a New Hire (as defined in the Plan) and a Rehire (as defined in the Plan).</p>
<p>Sandia Corporation Savings and Income Plan</p> <p>Plan # 008</p>	<p>Effective January 1, 2013, the Sandia Corporation Savings and Security Plan (“SSP”) was merged into the Sandia Corporation Savings and Income Plan (“SIP”). Consequently, effective January 1, 2013, eligible employees include any individual employed by the Company who meets the definition of “Eligible Employee” under the SIP, or who met the definition of “Eligible Employee” under the SSP on the day before the merger. The Plan specifically excludes leased employees, non-resident aliens with no United States source income, an individual whose earnings and conditions of employment are covered by the terms of a collective bargaining agreement unless and to the extent that a written agreement makes such coverage available, student interns, faculty sabbatical employees or recurrent (on call) employees.</p>