HARRIS CORP /DE/
Form 11-K
June 27, 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 11-K
(Mark One)
þ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2016
OR
¨ TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
Commission file number 1-3863
A. Full title of the plan and the address of the plan, if different from that of the issuer named below:
Harris Corporation Retirement Plan
B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:
Harris Corporation
1025 West NASA Blvd.
Melbourne, Florida 32919

HARRIS CORPORATION
RETIREMENT PLAN
Audited Financial Statements and Supplemental Schedule
As of December 31, 2016 and 2015
and for the Year Ended December 31, 2016

HARRIS CORPORATION RETIREMENT PLAN
December 31, 2016 and 2015 and for the year ended December 31, 2016
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All other schedules required by section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

REPORT OF INDEPENDENT REGISTERED CERTIFIED PUBLIC ACCOUNTING FIRM

To the Participants and the Harris Corporation Employee Benefits Committee of the
Harris Corporation Retirement Plan

We have audited the accompanying statements of net assets available for benefits of the Harris Corporation Retirement Plan (the “Plan”) as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Harris Corporation Retirement Plan as of December 31, 2016 and 2015, and the changes in its net assets available for benefits for the year ended December 31, 2016, in conformity with accounting principles generally accepted in the United States of America.

The schedule of assets (held at end of year) and schedule of reportable transactions (“supplemental schedules”) have been subjected to audit procedures performed in conjunction with the audit of the Plan’s financial statements. The supplemental schedules are the responsibility of the Plan’s management. Our audit procedures included determining whether the supplemental schedules reconcile to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental schedules. In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Carr, Riggs & Ingram, LLC
Clearwater, Florida
June 23, 2017

HARRIS CORPORATION RETIREMENT PLAN
Statements of Net Assets Available for Benefits

	December 31, 2016	December 31, 2015
ASSETS		
Investments at fair value:		
Interest bearing cash	$9,665,581	$510,301,790
Preferred stocks	5,892,955	1,471,455
Brokerage window account	23,792,241	12,320,538
Corporate bonds & debentures	587,560	101,745
Partnership interests	868,563	-
Common stocks	1,130,784,693	836,044,592
Registered investment companies	204,454,745	1,578,871,132
Common/collective trust funds	3,623,148,902	2,407,292,110
Total investments at fair value	4,999,195,240	5,346,403,362
Investments at contract value:		
Synthetic guaranteed investment contracts	1,149,589,327	638,913,025
Receivables:		
Accrued interest and dividends	1,184,128	867,588
Participant contributions receivable	7,237,133	4,246,435
Employer matching contributions receivable	2,597,685	1,782,429
Notes receivable from participants	63,583,318	65,778,392
Due from broker for securities sold	1,427,819	1,216,846
Total receivables	76,030,083	73,891,690
Total assets	6,224,814,650	6,059,208,077
LIABILITIES		
Accrued administrative expenses	854,177	529,802
Due to broker for securities purchased	5,179,676	747,918
Total liabilities	6,033,853	1,277,720
Net assets available for benefits	$6,218,780,797	$6,057,930,357

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

HARRIS CORPORATION RETIREMENT PLAN
Statement of Changes in Net Assets Available for Benefits
For the year ended December 31, 2016

Additions to net assets attributed to:	
Investment income:	
Net appreciation in fair value of investments	$391,500,536
Net appreciation in contract value of investments	25,378,807
Dividends	15,772,409
Total	432,651,752
Contributions:	
Participant rollovers	27,703,001
Employer matching	76,567,677
Participant (other than rollovers)	185,116,919
Total contributions	289,387,597
Interest on notes receivable from participants	2,740,135
Total additions	724,779,484
Deductions from net assets attributed to:	
Benefits paid to participants	554,968,576
Administrative expenses	8,960,468
Total deductions	563,929,044
Net change in plan assets available for benefits	160,850,440
Net assets available for benefits:	
Beginning of year	6,057,930,357
End of year	$6,218,780,797

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

HARRIS CORPORATION RETIREMENT PLAN
Notes to the Financial Statements
December 31, 2016 and 2015

NOTE 1 — DESCRIPTION OF PLAN

The following description of the Harris Corporation Retirement Plan (the “Plan”) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan’s provisions.

A. General — The Plan is a defined contribution plan with a 401(k) feature covering eligible employees of Harris Corporation and certain of its subsidiaries (collectively, the “Company” or “Employer”) as defined in the Plan document. The Plan Administrator is the Harris Corporation Employee Benefits Committee comprised of persons appointed by Harris Corporation. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

B. Contributions — Participants may contribute a percentage of eligible compensation, as defined in the Plan document and subject to Internal Revenue Code (the “Code”) limitations, on a pre-tax and/or an after-tax basis. After-tax contributions may be made either on a regular after-tax basis or on a designated Roth after-tax basis. Participants age 50 and older by the end of the calendar year can contribute an additional amount above the annual pre-tax/designated Roth after-tax limitation, as defined in the Plan document and subject to Code limitations. The Company matches up to 50% or 100% (depending on business unit) of pre-tax and after-tax contributions subject to a limit of 4%, 5% or 6% (depending on business unit) of eligible compensation for any eligible employee who has completed one year of service with the Company and is not accruing a benefit under the Company’s defined benefit pension plan. Special matching rules apply to participants who are subject to a collective bargaining agreement. Full-time regular participants who are not subject to a collective bargaining agreement and who make no election with respect to their contribution percentage are deemed to have elected deferment of 6% of eligible compensation on a pre-tax basis. The Company may make discretionary profit sharing contributions to the Plan in an amount determined by the Company, allocated to eligible participants based on eligible compensation as defined in the Plan document. For the year ended December 31, 2016, no profit sharing contributions were made. Additional Company contributions may be made on behalf of participants who are subject to a collective bargaining agreement or to satisfy, in part, the Company’s obligations to certain participants under wage determination or similar laws. In addition, participants may rollover amounts to the Plan from other qualified plans or certain individual retirement accounts (“IRAs”).

C. Payments of Benefits — Prior to termination of employment, a participant may withdraw all or any portion of his or her regular after-tax account balance or rollover balance. A participant may also receive a distribution while employed for financial hardship, as defined in the Plan document, after attainment of age 59 $^{1}/_{2}$ or in certain cases, in connection with active military duty. Upon retirement or other termination of employment, a participant may elect to receive either a lump-sum amount equal to all or a portion of the participant’s vested account, or installments of his or her vested account over a future period. Alternatively, a participant generally will be eligible to rollover his or her vested account to an eligible retirement plan or IRA. In addition, certain other distribution options applicable to assets merged into the Plan have been preserved, as legally required.

D. Participant Loans — The participant loan program permits participants to borrow against their pre-tax, regular after-tax, qualified non-elective, designated Roth after-tax and rollover contributions. A participant may borrow in increments of $100 from a minimum of $500 to a maximum of 50% of the vested portion of the participant’s account or $50,000 whichever is lower, within certain limitations established by the Plan document. Payback periods range from one to five years unless the loan is to be used for the purchase of a principal residence, in which case the payback period generally may not exceed ten years. Interest rates are established by the Plan Administrator based on market rates. Loans are paid back ratably through payroll deductions (or, if the participant is not receiving paychecks, then they are paid back by personal, certified or cashier’s check, money order or electronic transfer). The outstanding loans have been established as a separate fund.

E. Participant Accounts — Each participant’s account is credited with the participant’s contribution, including the contribution, if any, in respect of the participant’s election under the Company’s Performance Reward Plan (or similar plan), and allocations of (a) the Company’s contributions and (b) Plan earnings, and is charged with an allocation of Plan losses and administrative expenses. The benefit to which a participant is entitled is the benefit that can be provided from the participant’s vested account.

F. Vesting — Participants are immediately vested in their pre-tax, regular after-tax, designated Roth after-tax, qualified non-elective and rollover contributions plus earnings thereon. Participants also are immediately vested in Company contributions other than Employer matching and any profit sharing contributions, plus earnings thereon. Vesting in the Employer matching and any profit sharing contributions, plus earnings thereon, is based on years of service, as

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defined in the Plan document. A participant is 100% vested after four years of service, based on the following schedule.

Years of Service	Vesting Percentage	
Less than 1 year	0	%
1 year	25	%
2 years	50	%
3 years	75	%
4 years	100	%

However, certain vesting schedules applicable to assets merged into the Plan have been preserved, as legally required, and may result in the vesting of Employer matching and any profit sharing contributions, plus earnings thereon, more quickly than described above. In addition, in the event of a disposition by the Company of a business or substantially all of the assets of a business, the participants impacted by such disposition may in certain circumstances become 100% vested in Employer matching and any profit sharing contributions, plus earnings thereon.

A participant also becomes 100% vested in Employer matching and any profit sharing contributions, plus earnings thereon, upon his or her termination of employment after attaining age 55 or on account of his or her death or disability (as defined in the Plan document), or if a participant dies while on leave of absence due to qualified military service.

In addition, special vesting applies to certain participants in the Plan who are subject to a collective bargaining agreement. Certain of such participants are immediately vested in their Employer matching and any profit sharing contributions, plus earnings thereon, and others become vested in their Employer matching and any profit sharing contributions, plus earnings thereon, as follows:

Years of Service	Vesting Percentage	
Less than 1 year	0	%
1 year	20	%
2 years	40	%
3 years	60	%
4 years	80	%
5 years	100	%

G. Forfeitures — A terminated participant who is not 100% vested will forfeit the non-vested portion of the Company’s contributions plus earnings thereon unless the participant returns to employment within five years. The forfeited contributions are used first, to restore the accounts of recently located missing participants, as defined in the Plan document; next, to restore the accounts of participants who are reemployed prior to incurring a break in service of five consecutive years; next, to fund any Company contributions to be allocated to participants who are reemployed after a period of qualified military service, as defined in the Plan document; and finally, to reduce future contributions to the Plan by the Company. Forfeited amounts included in Plan assets at December 31, 2016 and 2015 were $952,678 and $122,958, respectively. For the year ended December 31, 2016, Company contributions to the Plan were reduced by $799,205 from forfeited non-vested accounts.

H. Plan Termination — Although it has not expressed any intent 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 of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts.

I. Investment Options — Upon enrollment into the Plan, a participant may direct Company and participant contributions into any of several investment options (including the Harris Stock Fund) and/or a brokerage window account. A participant may transfer amounts from other investment options into the Harris Stock Fund, provided that no transfer shall cause more than 20% of a participant's account to be invested in the Harris Stock Fund. The Harris Stock Fund has been designated as an "employee stock ownership plan," which means that the Company is entitled to a deduction for dividends paid on shares held in the Harris Stock Fund. Any such dividends are 100% vested and participants are permitted to elect that such dividends either be maintained in the Plan and reinvested in the Harris Stock Fund or paid from the Plan in cash to the participant.

The investment options are described in detail in the Plan's "Summary Plan Description," which is available to all participants. In the event no investment option is selected by a participant, the default investment option for contributions is the LifeCycle Fund that is age-appropriate for the participant. Elections to change investment options can be made daily; however, amounts in the Stable Value Fund cannot be transferred directly to the Money Market Fund. Investments are also governed by other limitations described in the Plan document and the "Summary Plan Description."

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting — The accounting records of the Plan are maintained on the accrual basis and have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Valuation of Investments — Investments are stated at fair value or contract value. For investments stated at fair value, quoted market prices are used, when available, to value investments. Investments for which quoted market prices are not available are stated at fair values as reported by the Trustee or investee company. See Note 6 — Financial Instruments for further information on the valuation of investments.

Notes Receivable from Participants — Notes receivable from participants represent participant loans recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2016 or 2015. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded upon the participant's eligibility for a plan distribution.

Use of Estimates — The preparation of financial statements in conformity with U.S. GAAP requires the Plan Administrator to make estimates and assumptions that affect certain reported amounts, disclosures, and schedules. Accordingly, actual results may differ from those estimates.

Administrative Expenses — Unless otherwise elected by the Company, all reasonable charges and expenses incurred in connection with the administration of the Plan are paid by the Trustee from the assets of the trust.

New Accounting Standards — In January 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-01, Financial Instruments-Overall (Subtopic 825-10). ASU No. 2016-01 requires equity investments (except those accounted for under the equity method of accounting, or those that result in consolidation of the investee) to be measured at fair value with changes in fair value recognized in net income. ASU No. 2016-01 also requires public business entities to use the exit price notion when measuring the fair value of financial instruments for disclosure purposes. ASU No. 2016-01 is effective for employee benefit plans for fiscal years beginning after December 15, 2018. Management is currently evaluating the impact of ASU No. 2016-01 on the Plan's financial statements.

NOTE 3 — RELATED-PARTY TRANSACTIONS

Certain Plan investments are shares of common stock of Harris Corporation and balances in common/collective trust funds that are managed by Northern Trust or Wells Fargo. Harris Corporation is the Plan sponsor and Northern Trust is the Trustee of the Plan and Wells Fargo was the trustee of the Exelis Retirement Savings Plan (which was merged into the Plan effective December 31, 2015) and, therefore, these transactions qualified as exempt party-in-interest transactions under the provisions of ERISA. Wells Fargo was not a related party or party-in-interest as of December 31, 2016.

The Plan’s investments in Harris Corporation common stock (included with other common stock) and in common/collective trust funds managed by Northern Trust or Wells Fargo (included with other common/collective trust funds) were as follows:

	December 31, 2016		December 31, 2015	
	Shares	Fair Value	Shares	Fair Value
Common stock				
Harris Corporation common stock	2309782	$236,683,362	2387863	$207,505,295
Common/collective trust funds				
NT Collective Russell 1000 Index Fund — Non Lending	6938870	169,856,597	7797664	170,324,384
NT Collective Extended Equity Index Fund — Non Lending	832192	223,598,332	670313	155,285,280
NT Collective S&P 500 Index Fund-DC-Non Lending (Tier J)	72240	542,977,395	50457	338,740,880
NT Collective Aggregate Bond Index Fund — Non Lending	2864562	388,749,762	2198541	290,932,866
NTGI Coltv Govt STIF Registered	11241675	11,241,675	3886449	3,886,449
Wells Fargo / Blackrock STIF N	^	^	153135119	153,135,119
Wells Fargo / Blackrock STIF S	^	^	48582487	48,591,053

During 2016, the Plan made the following purchases and sales of related party investments:

	Purchases	Sales
Common stock		
Harris Corporation common stock	$21,723,805	$25,093,230
Common/collective trust funds		
NT Collective Russell 1000 Index Fund — Non Lending	51,052,559	71,019,032
NT Collective Extended Equity Index Fund — Non Lending	75,925,883	37,308,324
NT Collective S&P 500 Index Fund-DC-Non Lending (Tier J)	225,231,611	81,959,242
NT Collective Aggregate Bond Index Fund — Non Lending	116,532,494	26,894,768
NTGI Coltv Govt STIF Registered	*	*

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^ Wells Fargo was not a related party to the Plan as of December 31, 2016.

* Activity in this fund represents overnight interest bearing deposits (sweeps) of otherwise un-invested daily cash.

NOTE 4 — INCOME TAX STATUS

The Plan has received a determination letter from the Internal Revenue Service (“IRS”) dated May 30, 2017 stating that the Plan is qualified under Section 401(a) of the Code and the related trust is exempt from taxation. Although the Plan has been amended since receiving the determination letter, the Plan’s sponsor and the Plan’s tax counsel believe the Plan, as amended, is qualified and the related trust is exempt from taxation.

U.S. GAAP requires Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2016, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress with respect to the Plan. The Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2013.

NOTE 5 — CREDIT RISKS AND UNCERTAINTIES

Cash amounts at the Trustee may exceed the federally insured limit from time to time. The Plan provides for investments in various investment securities, which, in general, are exposed to certain risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in

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the values of investment securities will occur in the near term, and such changes could materially affect participant account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

NOTE 6 — FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal market (or most advantageous market, in the absence of a principal market) for the asset or liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). A three-level fair value hierarchy 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 and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

- Level 1 — inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.
- Level 2 — inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 — inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models and similar techniques for which some or all significant assumptions are not observable.

The following section describes the valuation methodologies the Plan uses to measure financial assets at fair value. In general, and where applicable, the Plan uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to the Plan's Level 1 assets which include interest bearing cash, common stocks, corporate bonds and debentures, partnership interests, the brokerage window account and registered investment companies. If quoted prices in active markets for identical assets are not available to determine fair value, then the Plan uses quoted prices for similar assets or inputs other than the quoted prices that are observable either directly or indirectly. These assets are included in Level 2 and consist of preferred stocks. Assets for which fair value is determined by management using assumptions that market participants would use in pricing assets are included in Level 3. As of December 31, 2016 and 2015, there were no Level 3 assets held by the Plan.

Assets Measured at Fair Value on a Recurring Basis
Assets measured at fair value on a recurring basis at December 31, 2016 are as follows:

	Level 1	Level 2	Level 3	Total
Assets				
Interest bearing cash	$9,665,581	$—	$ —	$9,665,581
Preferred stocks	—	5,892,955	—	5,892,955
Brokerage window account	23,792,241	—	—	23,792,241
Corporate bonds & debentures	587,560	—	—	587,560
Partnership interests	868,563	—	—	868,563
Common stocks	1,130,784,693	—	—	1,130,784,693
Registered investment companies	204,454,745	—	—	204,454,745
Total Assets Measured at Fair Value	$1,370,153,383	$5,892,955	$ —	$1,376,046,338

Assets measured at fair value on a recurring basis at December 31, 2015 are as follows:

	Level 1	Level 2	Level 3	Total
Assets				
Interest bearing cash	$510,301,790	$ —	$ —	$510,301,790
Preferred stocks	—	1,471,455	—	1,471,455
Brokerage window account	12,320,538	—	—	12,320,538
Corporate bonds & debentures	101,745	—	—	101,745
Common stocks	836,044,592	—	—	836,044,592
Registered investment companies	1,578,871,132	—	—	1,578,871,132
Total Assets Measured at Fair Value	$2,937,639,797	$1,471,455	$ —	$2,939,111,252

NOTE 7 — COMMON/COLLECTIVE TRUST FUNDS
Common/collective trust funds share the common goal of first growing then later preserving principal and contain a mix of U.S. stocks, U.S. issued bonds and cash. There are currently no redemption restrictions on these investments. The fair values of the investments in this category have been estimated using the net asset value per unit calculated by the investment's issuer utilizing quoted market prices, most recent bid prices in the principal market in which the securities are normally traded, pricing services and dealer quotes. Net asset values are reported by the funds and are supported by the underlying share prices of actual purchases and sale transactions occurring as of or close to the financial statement date. Assets measured at net asset value are exempt from the fair value hierarchy. Fair values estimated using net asset value per unit were as follows:

	December 31, 2016	December 31, 2015
Common/collective trust funds	$3,623,148,902	$2,407,292,110

NOTE 8 — SYNTHETIC GUARANTEED INVESTMENT CONTRACTS

During 2016 and 2015, the Plan held fully benefit-responsive, synthetic guaranteed investment contracts (“synthetic GICs”) in its Stable Value Fund (the “Fund”) which are stated at contract value. A corresponding contract wrapper with the issuer of the synthetic GICs was also held in order to provide a variable rate of return on the cost of the investment. The interest crediting rate of synthetic GICs is based on the contract value, and the fair value, duration and yield to maturity of the portfolio of bonds underlying the synthetic GICs. The interest crediting rate is reset quarterly. The minimum crediting rate is zero percent.

The interest crediting rate reset allows the contract value to converge with the fair value of the underlying portfolio over time, assuming the portfolio continues to earn the current yield for a period of time equal to the current portfolio duration.

The primary variables impacting the future interest crediting rates of synthetic GICs include the current yield of the assets underlying the contract, the duration of the assets underlying the contract and the existing difference between the fair value and contract value of the assets underlying the contract.

Synthetic GICs generally provide for withdrawals associated with certain events which are not in the ordinary course of Plan operations. These withdrawals are paid with a market value adjustment applied to the withdrawal as defined in the investment contract. Each contract issuer specifies the events which may trigger a market value adjustment. Such events include but are not limited to the following: material amendments to the Plan or in the administration of the Fund; changes to the Plan’s competing investment options including the elimination of equity wash provisions; complete or partial termination of the Plan; the failure of the Plan to qualify for exemption from federal income taxes or any required prohibited transaction exemption under ERISA; the redemption of all or a portion of the interests in the Fund held by the Plan at the direction of the Plan sponsor, including withdrawals due to the removal of a specifically identifiable group of employees from coverage under the Plan (such as a group layoff or early retirement incentive program), the closing or sale of a subsidiary, employing unit or affiliate, the bankruptcy or insolvency of the Plan sponsor, the merger of the Plan with another plan, or the Plan sponsor’s establishment of another tax qualified defined contribution plan; any change in law, regulation, ruling, administrative or judicial position or accounting requirement, applicable to the Fund or the Plan; or the delivery of any communication to Plan participants designed to influence a participant not to invest in the Fund.

At this time, the Plan does not believe that the occurrence of any such market value adjustment-triggering event, which would limit the Plan’s ability to transact at contract value with participants, has occurred or is probable.

If the Plan defaults in its obligations under any synthetic GIC (including the issuer’s determination that the agreement constitutes a non-exempt prohibited transaction as defined under ERISA), and such default is not corrected within the time permitted by the contract, then the contract may be terminated by the issuer and the Plan will receive the fair value of the underlying investments as of the date of termination. With the exception of this circumstance, termination of the contract by the issuer would be settled at contract value.

NOTE 9 — RECONCILIATION OF PLAN FINANCIAL STATEMENTS TO THE FORM 5500

Form 5500 requires the recording of a liability for benefit amounts processed prior to year-end but not yet paid and requires fully benefit-responsive contracts to be reported at fair value. These requirements conflict with U.S. GAAP and the presentation of such amounts in the financial statements where they remain as part of net assets available for benefits and are stated at contract value, respectively.

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	December 31, 2016	December 31, 2015
Net assets available for benefits per the financial statements	$6,218,780,797	$6,057,930,357
Benefits due to participants	(627,697)	(1,138,553)

Adjustment to fair value from contract value for fully benefit-responsive investment contracts	7,609,100	6,008,021
Net assets available for benefits per the Form 5500	$6,225,762,200	$6,062,799,825

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The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500 for the year ended December 31, 2016:

Benefits paid to participants per the financial statements	$554,968,576
Add: benefits due but unpaid at December 31, 2016	627,697
Less: benefits due but unpaid at December 31, 2015	(1,138,553)
Total benefit payments, corrective distributions and deemed distributions per the Form 5500	$554,457,720

The following is a reconciliation of investment income per the financial statements to the Form 5500 for the year ended December 31, 2016:

Net change in Plan assets per the financial statements	$	160,850,440
Adjustment from fair value to contract value for fully benefit-responsive investment contracts at December 31, 2015	(6,008,021)	
Adjustment from fair value to contract value for fully benefit-responsive investment contracts at December 31, 2016	7,609,100	
Benefits due but unpaid at December 31, 2016	(627,697)	
Benefits due but unpaid at December 31, 2015	1,138,553	
Net income and transfers in per the Form 5500	$	162,962,375

SUPPLEMENTAL INFORMATION
Harris Corporation Retirement Plan
E.I.N. 34-0276860
Plan Number 015
Schedule H, Line 4(i)
Schedule of Assets (Held at End of Year)
December 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value (In Shares/Par Value Except Notes Receivable from Participants)	(d) Cost	(e) Value
	Value of Interest in Interest Bearing Cash			
	United States dollar	9665580		$9,665,581
	Total Value of Interest in Interest Bearing Cash			$9,665,581
	Value of Interest in Preferred Stocks			
	AIRBNB INC SERIES D CVT PFD STOCK TROWE PRICE ONLY	1693		$206,782
	DTE ENERGY CO CORPORATE UNIT	11487		608,811
	GREAT PLAINS DEP SHS REPSTG 1/20TH INT MANDATORY CONV PFD SER B 7%	18793		950,926
	NEXTERA ENERGY INC CORPORATE UNIT	47819		2,342,175
	PVTPL AIRBNB INC SER E CVT PFD STK T-ROWE	2468		229,757
	PVTPL FLIPKART - TROWE PRICE ONLY SER E PFD STK	337		38,341
	PVTPL FLIPKART LIMITED SERIES G PREFERENCE SHARES - T ROWE PRICE ONLY	1541		184,550
	PVTPL FLIPKART LTD - TROWE PRICE ONLY ORDINARY SHARES	300		34,132

See Report of Independent Registered Certified Public Accounting Firm

(a)	(b) Identity of Issue, Borrower, Lessor, or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value (In Shares/Par Value Except Notes Receivable from Participants)	(d) Cost	(e) Value
	PVTPL FLIPKART LTD - TROWE PRICE ONLY SER A PFD STK	404		11,832
	PVTPL FLIPKART LTD - TROWE PRICE ONLY SER C PFD STK	181		20,593
	PVTPL MAGIC LEAP INC PP SERIES C CVT PFD STOCK T-ROWE PRICE ONLY	10325		237,816
	PVTPL SNAPCHAT INC SER F CVT PFD STK T-ROWE	9273		284,867
	PVTPL UBER TECHNOLOGIES INC SER G CVTPFD STK T-ROWE	4873		237,667
	SER C CVT PFD STK DROPBOX SERIES C PREFERRED TROWE PRICE ONLY	10857		207,382
	UBER TECHNOLOGIES INC SER E PFD STK-TROWE PRICE ONLY	8924		297,324
	Total Value of Interest in Preferred Stocks			$5,892,955
	Value of Interest in Brokerage Window Account			
	BROKERAGE WINDOW ACCOUNT			$23,792,241
	Total Value of Interest in Brokerage Window Account			$23,792,241
	Value of Interest in Corporate Bonds & Debentures			
	PVTPL WESTERN DIG CORP SR NT 144A FIXED 10.5% DUE 04-01-2024	470000		$555,775
	PVTPL VALEANT PHARMACEUTICALS SR NT 144A6.375% DUE 10-15-2020/10-04-2012 BEO	37000		31,785
	Total Value of Interest in Corporate Bonds & Debentures			$587,560
	Value of Interest in Partnerships			
	MLP GREEN PLAINS PARTNERS LP COM UNIT REPSTG LTD PARTNER INT	23075		$456,885
	MLP STAR GAS PARTNERS L P UNIT LTD PARTNERSHIP INT	38260		411,678
	Total Value of Interest in Partnerships			$868,563

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	Value of Interest in Common Stocks			
	5TH 3RD BANCORP COM	124700		$3,363,159
	ACTUANT CORP CL A NEW	32381		840,287
	ADDUS HOMECARE CORP COM STK	15568		545,658
	ADIENT PLC ADIENT PLC LTD COM	37954		2,224,104
	ADOBE SYS INC COM	73400		7,556,530
	ADR ALIBABA GROUP HOLDING LTD SPONSORED ADS	114500		10,054,245
	ADR ASML HLDG NV NY	20000		2,244,000
	ADR BAIDU INC SPONSORED ADR REPSTG ORD SHS CL A	35500		5,836,555
	ADR ROYAL DUTCH SHELL PLC SPONSORED ADR REPSTG A SHS	97000		5,274,860
	ADR TENCENT HLDGS LTD ADR	66600		1,613,052
	ADVISORY BRD CO COM	23555		783,204
	AERIE PHARMACEUTICALS INC COM	10182		385,389
	AES CORP COM	288300		3,350,046
	AETNA INC	13800		1,711,338
	AIR METHODS CORP COM NEW	84307		2,685,178

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	ALASKA AIR GROUP INC COM	35200		3,123,296
	ALBANY INTL CORP NEW CL A	100916		4,672,411
	ALEXION PHARMACEUTICALS INC COM	66169		8,095,777
	ALLEGIANT TRAVEL CO COM	5446		906,214
	ALLERGAN PLC. COM STK	7062		1,483,091
	ALPHABET INC CAP STK CL C	10280		7,934,310
	ALPHABET INC CL A CAP STK CL A	20035		15,876,736
	AMAZON COM INC	33086		24,810,199
	AMC ENTMT HLDGS INC CL A COM	15603		525,041
	AMEDISYS INC COM	19147		816,237
	AMERICAN AIRLINES INC COM USD1	76800		3,585,792
	AMERICAN CAP CASH AND STOCK MERGER ARES	215038		3,853,481
	AMERICAN EAGLE OUTFITTERS INC NEW COM	78352		