

AMERIPRISE FINANCIAL INC  
 Form 4  
 May 01, 2015

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549**

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 DiGeso Amy

(Last) (First) (Middle)

GENERAL COUNSEL'S  
 OFFICE, 1098 AMERIPRISE  
 FINANCIAL CENTER

(Street)

MINNEAPOLIS, MN 55474

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 AMERIPRISE FINANCIAL INC  
 [AMP]

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 04/29/2015

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			(A) or (D)	Code V	Amount	Price	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**



Systems. Ralph G. D'Ambrosio 35 Vice President and Contoller. Mr. D'Ambrosio became Vice President in July 2001 and Contoller in August 2000. He joined us in August 1997, and until July 2000 was our Assistant Contoller. Prior to joining us, he was a senior manager at Coopers & Lybrand L.L.P., where he held a number of positions since 1989. Mr. D'Ambrosio is a Certified Public Accountant. Joseph S. Paresi 47 Vice President -- Product Development and President of the Security Systems Division. Mr. Paresi joined us in April 1997. From April 1996 until April 1997, Mr. Paresi was Corporate Director of Technology for Lockheed Martin's C3I and Systems Integration Sector. Prior to the April 1996 acquisition of Loral, Mr. Paresi was Corporate Director of Technology for Loral, a position he held since 1993. From 1978 to 1993, Mr. Paresi was a Systems Engineer, Director of Marketing and Director of International Programs at Loral Electronic Systems. Mr. Paresi is currently a director of AnnisTech, Inc. and Millivision, Inc. Robert RisCassi 67 Vice President -- Washington, D.C. Operations. General Robert W. RisCassi (U.S. Army-ret.) joined us in April 1997. From April 1996 until April 1997, he was Vice President of Land Systems for Lockheed Martin's C3I and Systems Integration Sector. Prior to the April 1996 acquisition of Loral, he had held the same position for Loral since 1993. He joined Loral in 1993 after retiring as U.S. Army Commander in Chief, United Nations Command/Korea. His 35-year military career included posts as Army Vice Chief of Staff; Director, Joint Staff, Joint Chiefs of Staff; Deputy Chief of Staff for Operations and Plans; and Commander of the Combined Arms Center. General RisCassi is currently a director of Alliant Techsystems Inc. Stephen M. Souza 50 Vice President and Treasurer. Mr. Souza joined us in August 2001. Prior to joining us he was the Treasurer of ASARCO Inc. from 1999 to August 2001 and Assistant Treasurer from 1992 to 1999. Jill H. Wittels 53 Vice President -- Business Development. Ms. Wittels joined us in March 2001. From July 1998 to February 2001 she was President and General Manager of BAE Systems' Information and Electronic Warfare Systems/Infrared and Imaging Systems division and its predecessor company. From January 1997 to July 1998, Ms. Wittels was Vice President -- Business Development and Operations for IR Focalplane Products at Lockheed Martin. Ms. Wittels is on the Board of Overseers for the Department of Energy's Fermi National Accelerator Lab. Ms. Wittels is also a director of Innovative Micro Technology, Inc. and Millivision, Inc.

8 SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS  
As of March 21, 2003, there were 95,451,708 shares of our common stock outstanding. We know of no person who, as of March 21, 2003, beneficially owned more than five percent of the common stock, except as set forth below.

AMOUNT AND NATURE PERCENT NAME OF BENEFICIAL OWNER OF BENEFICIAL OWNERSHIP OF CLASS(1) -----

Citigroup Inc.(2) 153 East 53rd Street New York, New York 10043 .....	10,675,192	11.2%
Frank C. Lanza(3) c/o L-3 Communications Holdings, Inc. 600 Third Avenue, 34th Floor New York, New York 10016 .....	4,913,248	5.1%
Robert V. LaPenta(4) c/o L-3 Communications Holdings, Inc. 600 Third Avenue, 34th Floor New York, New York 10016 .....	5,268,735	5.4%

----- (1) Under Rule 13d-3, certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares outstanding is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of these acquisition rights. As a result, the percentage of outstanding shares of any person as shown in this table does not necessarily reflect the person's actual ownership or voting power with respect to the number of shares of common stock actually outstanding at March 21, 2003. (2) Based on a Schedule 13G/A filed with the S.E.C., dated February 4, 2003, in which Citigroup Inc. reported that it had shared voting and dispositive power over 10,675,192 shares of common stock. (3) The shares of common stock beneficially owned includes 1,661,906 shares issuable under employee stock options and exercisable within 60 days of March 21, 2003. (4) The shares of common stock beneficially owned includes 1,661,906 shares issuable under employee stock options and exercisable within 60 days of March 21, 2003 and 887 shares allocated to the account of Mr. LaPenta under our savings plans.

9 SECURITY OWNERSHIP OF MANAGEMENT The following table shows the amount of common stock beneficially owned (unless otherwise indicated) by our executive officers, our directors, and by all of our current executive officers and directors as a group. Except as otherwise indicated, all information listed below is as of March 21, 2003.

SHARES OF COMMON PERCENTAGE OF SHARES STOCK BENEFICIALLY OF COMMON NAME OF BENEFICIAL OWNER OWNED(1)(2) STOCK OUTSTANDING(3)

----- Directors and Executive Officers Frank C. Lanza .....	4,913,248	5.1%
Robert V. LaPenta		

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.....	5,268,735	5.4%	Michael T. Strianese	.....	75,835	--
Christopher C. Cambria	.....	90,631	--	Charles J. Schafer	.....	
27,800	--	Thomas A. Corcoran(4)	.....	9,334	--	Robert B. Millard(4)(5)(6)
.....	141,512	--	John E. Montague(4)	.....	9,334	--
Shalikhshvili(4)	.....	10,018	--	Arthur L. Simon(4)	.....	12,594
Alan H. Washkowitz(4)(5)(7)	.....	273,056	--	Directors and Executive Officers as a Group (18 persons)(8)	.....	11,030,603
11.1%	-----	(1)	The shares of our common stock beneficially owned include the number of shares (i) issuable under employee stock options and exercisable within 60 days of March 21, 2003 and (ii) allocated to the accounts of executive officers under our savings plans. Of the number of shares shown above, (i) the following represent shares that may be acquired upon exercise of employee stock options for the accounts of: Mr. Lanza, 1,661,906 shares; Mr. LaPenta, 1,661,906 shares; Mr. Strianese, 75,000 shares, Mr. Cambria, 89,800 shares and Mr. Schafer, 27,000 shares; and (ii) the following represent shares allocated under our saving plans to the accounts of: Mr. LaPenta, 887 shares; Mr. Strianese, 835 shares; Mr. Cambria, 831 shares; and Mr. Schafer, 800 shares. (2) The number of shares shown includes shares that are individually or jointly owned, as well as shares over which the individual has either sole or shared investment or voting authority. (3) Share ownership does not exceed one percent of the class unless otherwise indicated. Under Rule 13d-3, certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire the shares (for example, upon exercise of an option) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares outstanding is deemed to include the amount of shares beneficially owned by such person (and only such person) by reason of these acquisition rights. As a result, the percentage of outstanding shares of any person as shown in this table does not necessarily reflect the person's actual ownership or voting power with respect to the number of shares of common stock actually outstanding at March 21, 2003. (4) Includes 9,334 shares issuable and exercisable under director stock options within 60 days of March 21, 2003 in the case of Messrs. Corcoran, Montague, and Shalikhshvili, 6,334 shares in the case of Mr. Simon and 3,334 shares in the case of Messrs. Millard and Washkowitz. (5) Robert B. Millard and Alan H. Washkowitz, each of whom is a member of our board of directors, are each a Managing Director of Lehman Brothers Inc. and limited partners of Lehman Brothers Capital Partners III, L.P. As limited partners of Lehman Brothers Capital Partners III, L.P., Messrs. Millard and Washkowitz may be deemed to share beneficial ownership of shares of our common stock held by Lehman Brothers Capital Partners III, L.P. Such individuals disclaim any such beneficial ownership and those shares of common stock are not reflected in the numbers shown in this table. (6) Includes 105,278 shares owned by a charitable foundation of which Mr. Millard and his wife are the sole trustees, and as to which Mr. Millard disclaims beneficial ownership. (7) Includes 111,330 shares in trust, for the benefit of Mr. Washkowitz's children, for which Mr. Washkowitz and his wife are co-trustees and as to which Mr. Washkowitz disclaims beneficial ownership. (8) Includes 3,738,785 shares issuable under employee stock options and exercisable under employee stock options within 60 days of March 21, 2003, and 13,804 shares allocated to the accounts of executive officers under our savings plans.			
10 EXECUTIVE COMPENSATION AND OTHER MATTERS SUMMARY COMPENSATION TABLE The following table provides summary information concerning compensation paid or accrued by us to or on behalf of our Chief Executive Officer and each of our four other most highly compensated executive officers who served in such capacities as of December 31, 2002, collectively referred to herein as the named executive officers, for services rendered to us during each of the last three years.						
LONG-TERM COMPENSATION AWARDS -----						
SECURITIES ANNUAL COMPENSATION UNDERLYING ----- STOCK ALL OTHER NAME AND PRINCIPAL POSITION YEAR SALARY (\$) BONUS (\$) OPTIONS (#) COMPENSATION \$(1)						
.....	.....	.....	.....	.....	.....	.....
\$825,000	\$850,000	400,000	\$ 11,125	(Chairman and Chief Executive 2001 750,000 750,000 -- 11,125 Officer)	.....	.....
.....	2000	750,000	500,000	-- 6,858 Robert V. LaPenta 2002 625,000 750,000 400,000 39,287	.....	.....
(President and Chief Financial 2001 545,577 650,000 -- 34,306 Officer)	.....	2000	500,000	400,000	--	32,907
Michael T. Strianese 2002 331,250 375,000 -- 19,690 (Senior Vice President, 2001 255,000 300,000 54,000 13,790 Finance)	.....	2000	209,673	225,000	--	73,515
Christopher C. Cambria 2002 235,000 375,000 -- 12,038 (Senior Vice President, 2001 235,000 300,000 54,000 10,838 Secretary and General Counsel)	.....	2000	228,025	225,000	--	10,827
Charles J. Schafer (Senior Vice President, Business 2002 268,750 350,000 -- 24,449	.....	.....	.....	.....	.....	.....

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Operations and President of 2001 248,230 250,000 36,000 118,438 the Products Group) ..... 2000 230,000 175,000 -- 118,368 ----- (1) Amounts for the year ended December 31, 2002 include: (a) our matching contributions of \$8,800 under our savings plan for Messrs. LaPenta and Schafer and \$8,000 for Messrs. Strianese and Cambria; and (b) the value of supplemental life insurance programs in the amounts of \$11,125 for Mr. Lanza, \$30,487 for Mr. LaPenta, \$11,690 for Mr. Strianese, \$4,038 for Mr. Cambria and \$15,649 for Mr. Schafer. 11 OPTION GRANTS IN FISCAL YEAR 2002 The following table shows the options to purchase common stock granted in fiscal year 2002 to the named executive officers. % TOTAL PER SHARE OPTIONS OPTIONS EXERCISE EXPIRATION GRANT DATE NAME GRANTED (#) GRANTED PRICE (\$) DATE VALUE (\$) -----

----- Frank C. Lanza ..... 400,000 18.44% \$ 53.75 3/25/12 \$ 7,922,667 Robert V. LaPenta ..... 400,000 18.44% 53.75 3/25/12 7,922,667 Michael T. Strianese ..... -- 0.00% -- -- -- Christopher C. Cambria ..... -- 0.00% -- -- -- Charles J. Schafer ..... -- 0.00% -- -- --

----- 800,000 \$15,845,334 ===== OPTION EXERCISES AND FISCAL YEAR-END

VALUES The following table provides information on options to purchase our common stock that were exercised during fiscal year 2002 by our named executive officers; the total numbers of exercisable and non-exercisable options to purchase our common stock owned by our named executive officers at December 31, 2002, and the aggregate dollar value of such options that were in-the-money at December 31, 2002. VALUE OF NUMBER OF UNEXERCISED SECURITIES UNDERLYING IN-THE-MONEY SHARES UNEXERCISED OPTIONS OPTIONS AT ACQUIRED VALUE AT FISCAL YEAR-END (#) FISCAL YEAR-END (\$) (1) ON REALIZED -----

----- NAME AND PRINCIPAL POSITION EXERCISE (#) (\$) EXERCISABLE UNEXERCISABLE(2) EXERCISABLE UNEXERCISABLE(2) -----

----- Frank C. Lanza (Chairman and Chief Executive Officer) ..... -- \$ -- 1,828,572 400,000 \$76,205,738 \$ -- Robert V. LaPenta (President and Chief Financial Officer) ..... 100,000 5,029,000 1,528,572 400,000 63,703,238 -- Michael T. Strianese (Senior Vice President, Finance) ..... 50,000 1,790,950 75,000 36,000 1,547,490 187,740 Christopher C. Cambria (Senior Vice President, Secretary and General Counsel) ..... -- -- 89,800 36,000 1,934,658 187,740 Charles J. Schafer (Senior Vice President, Business Operations and President of the Products Group) ..... 27,000 994,680 27,000 24,000 454,980 125,160

----- (1) In accordance with SEC rules, the values of the in-the-money options were calculated by subtracting the exercise prices of the options from the December 31, 2002 closing stock price of our common stock of \$44.91. (2)

These options are unexercisable because they have not yet vested under their terms. 12 REPORT OF THE AUDIT COMMITTEE The directors who serve on the audit committee are all "independent" in accordance with the New York Stock Exchange listing standards. We have reviewed and discussed with management the Company's audited financial statements as of and for the year ended December 31, 2002. As part of our governance practices, the Audit Committee periodically reviews its charter and recommends to the board of directors changes to its charter. The board of directors adopted changes to the audit committee charter in March, 2003, in part to comply with the Sarbanes-Oxley Act of 2002. The revised audit committee charter is included in this proxy statement as Exhibit A. We have discussed with the independent auditors, PricewaterhouseCoopers LLP, the matters required to be discussed by Statement on Auditing Standards No. 61, Communication with Audit Committees, as amended, by the Auditing Standards Board of the American Institute of Certified Public Accountants. We have received and reviewed the written disclosures and the letter from PricewaterhouseCoopers LLP, required by Independence Standard No. 1, Independence Discussions with Audit Committees, as amended, by the Independence Standards Board, and have discussed with the auditors their independence. Based on the activities referred to above, we recommended to the board of directors that the financial statements referred to above be included in our Annual Report on Form 10-K for the year ended December 31, 2002. Members of the audit committee are Thomas A. Corcoran, John M. Shalikashvili (Chairman) and Arthur L. Simon. INDEPENDENT AUDITOR FEES For services rendered in 2002 by PricewaterhouseCoopers LLP, our independent auditors, we incurred the following fees: o AUDIT FEES (for the audit of the 2002 financial statements and quarterly reviews)..... \$2,038,300 o

FINANCIAL INFORMATION SYSTEMS DESIGN AND IMPLEMENTATION FEES ..... \$0 o ALL OTHER FEES (\$1,851,000 for tax services, \$1,062,000 for a business process review and \$1,414,126 for other audit services, which include acquisition audits, review of SEC registrations, benefit plan audits, other statutory audits and \$128,000 applicable to the audit of our 2001 financial statements)..... \$4,327,126 The audit committee has considered and determined that the provision of the services covered under the caption All Other Fees

is compatible with maintaining the auditor's independence. **COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION** The compensation committee is responsible for reviewing the design of, and pay levels generated by, our compensation and benefit programs for our executive officers. The committee is also responsible for administering our stock option program. The committee is committed to ensuring an executive compensation program that supports our mission -- to maximize stockholder value. Thus, the executive compensation is structured around the following tenets: o Total compensation programs should strengthen the relationship between pay and performance by emphasizing variable, at-risk compensation that is dependent on our achievements and individual performance goals. o Management should be focused on the long-term interests of stockholders. Thus, a significant portion of the compensation opportunity should be long-term, at-risk pay in the form of stock options. 13 o We must maintain our ability to attract, retain, and encourage the development of qualified, capable executives. Total compensation opportunities will mirror those offered by comparably sized organizations within the aerospace and defense industries -- for those positions where the labor market is not limited to these industries, we will reference broader general industry information for similarly sized organizations. The comparative group used for compensation purposes will generally be broader than the group that comprises the published industry index in the performance graph included in this proxy statement. The compensation committee believes that our competition for executive talent is not limited to the companies included in the published industry index established for comparing stockholder returns. The key elements of our executive compensation program are base salary, annual incentives, and long-term compensation. These key elements are addressed separately below. **BASE SALARIES** The compensation committee will regularly review the base salary for the Chief Executive Officer and the President. We have established internal relationships of other senior executive positions to those of the Chief Executive Officer and the President, and base salaries for these other positions flow from those relationships. Base salaries will be targeted at the median of market levels with adjustments above or below market to recognize varying levels of responsibility, prior experience, breadth of knowledge, as well as external pay practices. Increases to base salaries will be driven primarily by individual performance. Individual performance will be evaluated based on sustained levels of individual contribution. As reflected in the Summary Compensation Table, Mr. Lanza's base salary was \$825,000 in 2002 and \$750,000 in 2001 and 2000 as provided for in his employment agreement. In determining future increases to Mr. Lanza's base salary, the compensation committee will consider his individual performance as measured by short-term achievements as well as his contributions to long-term organizational success. The compensation committee will also compare Mr. Lanza's base salary to base salaries of chief executive officers among comparable companies. **ANNUAL INCENTIVES** The annual incentive plan is structured to provide a variable pay opportunity based on performance. Actual bonuses are based on an assessment of the participant's contributions toward organizational success. Mr. Lanza received a bonus of \$850,000 in 2002 and \$750,000 in 2001. Mr. LaPenta received a bonus of \$750,000 in 2002 and \$650,000 in 2001. **LONG-TERM INCENTIVES** Long-term incentives are provided pursuant to the 1997 Plan and the 1999 Plan. Stock options will be granted at a price not less than the fair market value of our common stock on the date of grant. The ultimate value of an option grant to the recipient depends on the stockholder value created between the date of grant and the date of exercise. Option award size is based primarily on competitive practice but may also be adjusted to reflect factors such as individual and our company's performance. Mr. Lanza and Mr. LaPenta were each granted options to purchase 400,000 shares of our common stock in 2002. **POLICY WITH RESPECT TO THE \$1 MILLION DEDUCTION LIMIT** Section 162(m) of the Internal Revenue Code generally limits the corporate deduction for compensation paid to the named executive officers to \$1 million, unless certain requirements are met. 14 The compensation committee will consider the impact of this provision when making compensation decisions. However, the compensation committee will weigh all pertinent factors to determine appropriate plan design and incentive awards. Members of the compensation committee are Robert B. Millard (Chairman), John E. Montague and Alan H. Washkowitz. 15 **STOCK PERFORMANCE GRAPH** The graph below compares the cumulative total return of our common stock, as adjusted for our 2 for 1 stock split on May 20, 2002, with the cumulative total return of the Standard & Poor's 500 Composite Stock Index, the Standard & Poor's 1500 Aerospace & Defense Index and a peer group index, for the period from May 19, 1998 to December 31, 2002. We are one of the companies included in the Standard & Poor's 1500 Aerospace & Defense Index. The peer group index is composed of Alliant Techsystems Inc., General Dynamics Corporation and Northrop Grumman Corporation. These figures assume that all dividends paid over the performance period were reinvested, and that the starting value of each index and the investment in our common stock was \$100 on May 19, 1998. The starting point for the measurement of our common stock cumulative

total return was our initial public offering price of \$11.00 per share, as adjusted for our stock split. The graph is not, and is not intended to be, indicative of future performance of our common stock. In the future, we will replace our peer group index with the Standard & Poor's 1500 Aerospace & Defense Index because this published industry index comprises a more comprehensive list of companies that operate in the defense industry than the peer group index we have historically presented. In accordance with Item 402 of Regulation S-K, we present for comparison with our total return the returns of both the newly selected index and the peer group index used in our proxy statement of last year.

L-3 COMMUNICATIONS HOLDINGS, INC. CUMULATIVE TOTAL STOCKHOLDER RETURNS FOR PERIOD OF MAY 19, 1998 TO DECEMBER 31, 2002 TOTAL SHAREHOLDER RETURNS [GRAPHIC OMITTED]

YEAR ENDING	BASE	L-3	S&P 500	S&P 1500	Peer Group
PERIOD DECEMBER 2002	100	211.65	111.75	98.28	97.21
DECEMBER 1998	189.20	135.27	108.34	96.06	82.41
DECEMBER 1999	350.00	122.95	108.34	120.19	125.77
DECEMBER 2000	409.09	108.34	84.40	99.12	140.57
DECEMBER 2001	408.27	84.40	84.40	92.02	142.02

(as prepared by Standard & Poor's Compustat)

16 COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION During the 2002 fiscal year, Messrs. Robert Millard, John Montague and Alan Washkowitz served as members of the compensation committee of the board of directors. None of these individuals has served us or any of our subsidiaries as an officer or employee. None of our executive officers serves as a member of the board of directors or compensation committee of any entity which has one or more executive officers serving as a member of our board of directors or compensation committee.

EMPLOYMENT AGREEMENTS We entered into an employment agreement (the "Employment Agreements") effective on April 30, 1997 with each of Mr. Lanza, our Chairman and Chief Executive Officer, and Mr. LaPenta, our President and Chief Financial Officer. The Employment Agreements provided for an initial term of five years, which would automatically renew for one-year periods thereafter, unless a party thereto gave notice of its intent to terminate at least 90 days prior to the expiration of the term. Mr. Lanza's employment agreement was renewed in April, 2002. Mr. LaPenta's employment agreement expired in April, 2002. Upon a termination without cause or resignation for good reason, we will be obligated, through the end of the term, to (i) continue to pay the base salary and (ii) continue to provide life insurance and medical and hospitalization benefits comparable to those provided to other senior executives; provided, however, that any such coverage shall terminate to the extent that Mr. Lanza is offered or obtains comparable benefits coverage from any other employer. The Employment Agreements provided for confidentiality during employment and at all times thereafter. There was also a noncompetition and non-solicitation covenant which was effective during the employment term and for one year thereafter; provided, however, that if the employment terminated following the expiration of the initial term, the noncompetition covenant would only be effective during the period, if any, that we paid the severance described above.

17 PENSION PLAN TABLE The following table shows the estimated annual pension benefits payable under the L-3 Communications Corporation Pension Plan and Supplemental Executive Retirement Plan to a covered participant upon retirement at normal retirement age (65), based on the career average compensation (salary and bonus) and years of credited service with us.

YEARS OF CREDITED SERVICE	AVERAGE COMPENSATION AT RETIREMENT \$										
	10	15	20	25	30	35	400,000	500,000	600,000	700,000	\$300,000
\$18,952	\$ 34,171	\$ 46,357	\$ 60,278	\$ 71,497	\$ 80,603	\$ 87,955	25,605	46,159	62,629	81,361	96,446
108,652	118,496	500,000	32,258	58,152	78,905	102,452	121,399	136,704	149,032	600,000	38,909
70,140	95,176	123,536	146,344	164,749	179,563	700,000	45,562	82,131	111,451	144,624	171,295
210,100	800,000	52,213	94,119	127,722	165,708	196,243	220,847	240,638	900,000	58,865	106,111
143,997	186,798	221,194	248,898	271,175	1,000,000	65,517	118,100	160,270	207,883	246,141	276,946

301,711 1,100,000 ..... 72,169 130,089 176,543 228,970 271,092 304,993 332,245 1,200,000 ..... 78,820 142,078  
 192,814 250,054 296,040 333,039 362,779 1,300,000 ..... 85,473 154,069 209,089 271,142 320,988 361,088  
 393,315 1,400,000 ..... 92,124 166,058 225,360 292,228 345,938 389,138 423,851 1,500,000 ..... 98,776 178,047

241,633 313,314 370,886 417,186 454,385 As of December 31, 2002, the current annual compensation and current years of credited service (including for Messrs. LaPenta and Strianese, years of credited service as an employee of Loral and Lockheed Martin) for each of the following persons were: Mr. Lanza, \$1,575,000 and six years; Mr. LaPenta, \$1,275,000 and 31 years; Mr. Strianese, \$631,250 and 13 years; Mr. Cambria, \$535,000 and six years; and Mr. Schafer, \$518,750 and four years. 18 CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

STOCKHOLDERS AGREEMENT In connection with our incorporation we, Lehman Brothers Capital Partners III, L.P. and certain of its affiliates, Messrs. Lanza and LaPenta and Lockheed Martin Corporation entered into the Stockholders Agreement, which has terminated except for the terms relating to registration rights. Pursuant to the Stockholders Agreement, at this time Messrs. Lanza and LaPenta and the Lehman Partnership have the right, subject to certain conditions, to require L-3 Communications Holdings to register their shares of our common stock under the Securities Act of 1933. The Lehman Partnership has four demand rights and each of Messrs. Lanza and LaPenta has one demand registration right. Lockheed Martin Corporation sold all of its shares of our common stock in 1999. As of March 21, 2003, the Lehman Partnership owned 2.3% of our common stock. In addition, the Stockholders Agreement also provides Messrs. Lanza and LaPenta and the Lehman Partnership with piggyback registration rights. The Stockholders Agreement provides, among other things, that we will pay expenses incurred in connection with: o up to three demand registrations requested by the Lehman Partnership and the two demand registrations requested by each of Messrs. Lanza and LaPenta; and o any registration in which those parties participate through piggyback registration rights granted under the agreement. SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires our officers and directors, and persons who own more than 10% of a registered class of our equity securities, to file reports of ownership and changes in ownership with the SEC and the NYSE. Officers, directors and greater than 10% shareholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file. All Section 16(a) forms required to be filed were filed on a timely basis, except that Mr. Robert LaPenta failed to file one Form 4 on a timely basis that reported entering into a hedging arrangement termed a "variable prepaid forward agreement." 19 PROPOSAL 2. SELECTION OF INDEPENDENT AUDITORS The board of directors has selected PricewaterhouseCoopers LLP to act as our independent auditors for the 2003 fiscal year, and a proposal to ratify this selection will be submitted to the Annual Meeting.

PricewaterhouseCoopers LLP has acted as our independent auditors since our formation in 1997 and management believes it desirable and in our best interests to continue the employment of that firm. Representatives of PricewaterhouseCoopers LLP will be present at the Annual Meeting. Such representatives will have the opportunity to make a statement if they desire to do so, and are expected to be available to respond to appropriate questions. If the foregoing proposal is not approved by the holders of a majority of the shares represented at the Annual Meeting and voting on the proposal, the selection of independent auditors will be reconsidered by the board of directors. THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP AS INDEPENDENT AUDITORS. STOCKHOLDER PROPOSALS Any stockholder desiring to submit a proposal to be presented for consideration in our 2004 proxy statement must submit such proposal to us no later than the close of business on December 26, 2003. Such proposals should be sent by Certified Mail -- Return Receipt Requested to the attention of the Secretary, L-3 Communications Holdings, Inc., 600 Third Avenue, New York, New York 10016. Under the current rules of the SEC, a stockholder submitting a proposal is required to be a record or beneficial owner of at least 1% or \$2,000 in market value of the common stock and to have held such stock for at least one year prior to the date of submission of the proposal, and he or she must continue to own such securities through the date on which the meeting is held. GENERAL AND OTHER MATTERS At the date of this proxy statement, we know of no business that will be brought before the Annual Meeting other than the matters set forth above. However, if any further business properly comes before the Annual Meeting or any adjournments of the Annual Meeting, the persons named as proxies in the accompanying proxy will vote them in accordance with their discretion and judgment on such matters. We have provided each Stockholder whose proxy is being solicited hereby, a copy of our Annual Report for the year ended December 31, 2002, including our consolidated financial statements. Written requests for additional copies should be directed to: Corporate Communications, L-3 Communications Holdings, Inc., 600 Third Avenue, New York, New York 10016. PLEASE

Explanation of Responses:



COMPLETE, DATE AND SIGN THE PROXY AND RETURN IT PROMPTLY IN THE ENCLOSED REPLY ENVELOPE. NO POSTAGE IS REQUIRED IF RETURNED IN THE ACCOMPANYING ENVELOPE AND MAILED IN THE UNITED STATES. By Order of the Board of Directors, [GRAPHIC OMITTED] /s/ Christophre C. Cambria Christopher C. Cambria Senior Vice President, Secretary and General Counsel New York, New York April 1, 2003 20 EXHIBIT A L-3 COMMUNICATIONS HOLDINGS, INC. AUDIT COMMITTEE CHARTER

**PURPOSE** The Audit Committee is established for the primary purpose of assisting the Board of Directors in oversight of the: 1. Quality and integrity of the Company's financial statements and reports, 2. Company's compliance with legal and regulatory requirements, 3. Qualifications and independence of the independent auditors, and 4. Performance of the Company's internal audit function and independent auditors. In addition, the Audit Committee shall prepare the report that SEC rules require to be included in the Company's annual proxy statement. In fulfilling its responsibilities, the Audit Committee has the authority to obtain advice and assistance from outside legal, accounting, financial, or other advisors to perform its duties and responsibilities. The Company shall provide appropriate funding, as determined by the Audit Committee, for compensation to the independent auditor and to any advisors that the Audit Committee chooses to engage.

**ORGANIZATION MEMBERS:** The Audit Committee shall consist of at least three directors, all of whom are determined by the Board of Directors to meet the independence and expertise requirements required by the New York Stock Exchange (NYSE) Listed Company Manual and Securities and Exchange Commission (SEC) rules. The chairperson and members of the Committee shall be appointed by the Board of Directors. All members of the Committee shall be financially literate and at least one member of the Committee shall be an "audit committee financial expert" as determined by the Board, in compliance with the criteria established by the SEC and the NYSE. If an Audit Committee member simultaneously serves on the audit committee of more than three public companies (including the Company), the Board must determine that such service will not impair such member's ability to effectively serve on the Audit Committee and disclose such determination in the Company's annual proxy statement. No member of the Committee shall receive compensation other than (i) director's fees for service as a director of the Company, including reasonable compensation for serving on the Committee and regular benefits that other directors receive and (ii) a pension or similar compensation for past performance, provided that such compensation is not conditioned on continued or future service to the Company.

**MEETINGS:** The Audit Committee shall meet at least five times a year, or more often if circumstances so require. The Committee shall act only on the affirmative vote of at least a simple majority of its members.

**RESPONSIBILITIES:** The Audit Committee's policies and procedures should remain flexible, in order to best react to changing conditions and help ensure that the Company's accounting and reporting practices accord with all requirements and are of the highest quality. The Audit Committee shall:

1. Be directly responsible for the selection, appointment, compensation, and termination of the Company's independent auditors.
2. Inform each independent auditor performing auditing work for the Company that such firm shall report directly to the Committee.
3. Be directly responsible for the oversight of the auditing work of any independent auditor employed by the Company (including the resolution of any disagreement between management and the auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work.
4. Pre-approve both audit and permitted non-audit services to be performed by the independent auditors and related fees. The Audit Committee may (i) delegate to one or more of its members the ability to pre-approve such services and fees, provided that any such pre-approval is presented to the full Committee at its next scheduled meeting and/or (ii) pre-approve audit and non-audit services based on policies and procedures adopted by the Committee, provided (a) the policies and procedures are detailed as to the particular service, (b) the Committee is informed of each service, (c) such policies and procedures do not include delegation of the Committee's responsibilities to management and (d) such policies and procedures are disclosed in the Company's annual reports.
5. Meet with the independent auditors and the financial management to review the scope of the audit proposed for the current year and the audit procedures to be utilized and any subsequent changes to such scope and/or procedures.
6. Discuss with the independent auditors and with management, as appropriate, the following: (a) The matters required to be discussed by Statement on Auditing Standards No. 61 and the Sarbanes-Oxley Act of 2002 relating to the conduct of the audit or quarterly reviews; (b) Independent auditors' responsibilities under auditing standards generally accepted in the United States of America, and under applicable rules and regulations, and any exchange, which lists the Company's securities; (c) Management judgments and accounting estimates; (d) Audit adjustments, both those recorded in the Company's financial statements and those not recorded; (e) Disagreements with management, if any, and management's response to such disagreements; (f) Consultations with other accountants, if any; (g) Major issues,

if any, regarding accounting principles and financial statement presentation, including any analysis prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements; and (h) Difficulties encountered in performing the audit, if any, and management's response. 7. Discuss with the independent auditors prior to the filing by the Company of its annual report and at such other times as the Committee deems appropriate: (a) All critical accounting policies and practices of the Company; (b) All alternative treatments of financial information under generally accepted accounting principles (GAAP) related to material items that have been discussed with management, ramifications of such alternative disclosures and treatments, and the treatment preferred by the independent auditors; and A-2 (c) Other material written communications between the independent auditors and management of the Company. 8. At least annually, obtain and review a report by the independent auditors describing: the auditing firm's internal quality-control procedures; any material issues raised by the most recent internal quality control review, or peer review, of the auditing firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the auditing firm, and any steps taken to deal with any such issues; and (to assess the auditor's independence) all relationships between the independent auditor and the Company. 9. Ensure that all auditing personnel are rotated in accordance with, and to the extent required by, applicable laws and regulations. 10. Confirm with the independent auditors that none of their auditing personnel assigned to the audit of the Company's financial statements earns or receives any compensation based on selling engagements to the Company to provide any services, other than audit, review or attest services, to the extent such compensation would compromise the independence of such auditing personnel or the auditor under the rules promulgated by the SEC. 11. Review with the independent auditors, the internal auditor, and the financial and accounting management, the adequacy and effectiveness of the Company's accounting and disclosure controls and financial reporting processes, and elicit any recommendations for improvement or particular areas where augmented controls are desirable. Particular emphasis should be given to the adequacy of such controls to provide that information required to be disclosed by the Company in its periodic reports is recorded, processed, summarized, and reported in an appropriate and timely manner. 12. Review the internal audit function, including the independence and authority of its reporting obligations, the audit plans proposed for the coming year, and the coordination of such plans with the work of the independent auditors. 13. Review periodically a summary of findings from completed internal audits and a progress report on the proposed internal audit plan, with explanations for any deviations from the original plan and review such summary and plan with the internal audit department. 14. Review the adequacy of the internal audit staff and review and concur in the appointment, replacement or dismissal of the Internal Audit Director. 15. Review annually with management and the independent auditors the effect of regulatory and accounting initiatives, as well as review and approve any off-balance sheet structures on the Company's financial statements. 16. Review the annual audited financial statements and quarterly financial statements with management and the independent auditors, and related disclosure under "Management's Discussion and Analysis of Financial Condition and Results of Operations." Determine that the independent auditors are satisfied with the disclosure and content of the financial statements. Any year-to-year changes in accounting principles or practices should be reviewed. 17. Recommend to the Board of Directors as to whether the annual financial statements of the Company should be included in the Annual Report on Form 10-K to be filed with the SEC. 18. Discuss with management, in general terms, earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies. 19. Discuss with management policies with respect to risk assessment and risk management. 20. Set clear hiring policies for employees or former employees of the independent auditors in accordance with applicable laws and regulations. A-3 21. Establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters, or violations of the Company's Code of Conduct, and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters. 22. Periodically meet separately in executive session with each of management, the internal audit director, and the independent auditors to discuss any appropriate matters. 23. Review with the Company's General Counsel legal matters that may have a material impact on the financial statements, including in the Company's periodic reports to the SEC. 24. Periodically inquire of the Company's General Counsel, as to the Company's compliance with relevant legal and regulatory requirements, and as to the adequacy of control systems in place to assure such compliance. 25. Annually review and evaluate the performance of the Committee relative to the Audit Committee's purpose, duties and responsibilities outlined herein. 26. Annually review and assess the adequacy of this

charter and recommend any changes to the Board of Directors for approval. 27. Annually report to the Board of Directors regarding the execution of the Committee's duties and responsibilities. 28. Report to the Board of Directors the matters discussed at each Audit Committee meeting. A copy of the minutes shall be placed with the Company's minute books. 29. Investigate any matter brought to the attention of the Committee that is considered appropriate and is within the scope of its responsibilities. 30. Prepare an Audit Committee report required to be included in the Company's annual proxy statement. The report will include at least the following: (a) A statement that the Committee has reviewed and discussed the audited financial statements with management; (b) A statement that the Committee has discussed with the independent auditors the matters required by Statement on Auditing Standards No. 61, Required Communications with Audit Committees; (c) A statement that the Committee has received written disclosures from, and held discussions with, the independent auditors on matters required by Independence Standards Board Statement No. 1, Independence Discussions with Audit Committees; and (d) A conclusion as to the Committee's recommendation to the Board of Directors as to the filing of the Annual Report on Form 10-K with the SEC. A-4 DETACH HERE ZLCOC2 P R O X Y L-3 COMMUNICATIONS HOLDINGS, INC. THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS OF L-3 COMMUNICATIONS HOLDINGS, INC. (THE "COMPANY") FOR THE ANNUAL MEETING OF STOCKHOLDERS OF THE COMPANY TO BE HELD APRIL 22, 2003, AND SHOULD BE READ IN CONJUNCTION WITH THE NOTICE OF MEETING AND PROXY STATEMENT PERTAINING THERETO. The undersigned shareholder hereby appoints Frank C. Lanza, Robert V. LaPenta, Christopher C. Cambria or Michael T. Strianese, or any one of them, attorneys and agents, or proxy or proxies, with full power of substitution, in the name and on behalf of the undersigned, to attend, vote and act at the Annual Meeting of Stockholders to be held on April 22, 2003, at 2:30 p.m., eastern daylight time, at the Rihga Royal Hotel, 151 West 54th Street, New York, NY, and at any and all adjournments thereof, upon the matters set forth below and in accordance with their discretion on any other matters that may properly come before the meeting or adjournment thereof: A STOCKHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A STOCKHOLDER, TO REPRESENT HIM AT THE MEETING MAY DO SO BY INSERTING SUCH PERSON'S NAME IN THE SPACE PROVIDED ABOVE. This proxy, when properly executed, will be voted in accordance with the directions of the undersigned stockholder. In the absence of such directions, this proxy will be voted for all nominees listed on the reverse hereof and for the ratification of the appointment of PricewaterhouseCoopers LLP as independent auditors.

----- PLEASE VOTE, DATE AND SIGN THIS PROXY ON THE OTHER SIDE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. ----- HAS YOUR ADDRESS CHANGED? DO YOU HAVE ANY COMMENTS? -----

----- L-3 COMMUNICATIONS HOLDINGS, INC. C/O EQUISERVE TRUST COMPANY, N.A. P.O. BOX 8599 EDISON, NJ 08818-8599 ADMISSION TICKET L-3 COMMUNICATIONS HOLDINGS, INC. ANNUAL MEETING OF STOCKHOLDERS TUESDAY, APRIL 22, 2003, 2:30 P.M. EASTERN DAYLIGHT TIME RIHGA ROYAL HOTEL 151 WEST 54TH STREET NEW YORK, NY Please indicate whether you plan to attend the 2003 Annual Meeting of Stockholders by marking the appropriate box on the Proxy Card, or if you use the telephone system, when prompted. Only the stockholder(s) whose name(s) appears on this ticket, or the proxy of that stockholder, will be admitted. Due to space limitations, admission to the meeting will be on a first-come, first-served basis. Registration will begin at 2:30 p.m. [L-3 COMMUNICATIONS LOGO] VOTER CONTROL NUMBER ----- YOUR VOTE IS IMPORTANT. PLEASE VOTE IMMEDIATELY. -----

----- [GRAPHIC OMITTED] [GRAPHIC OMITTED] VOTE-BY-INTERNET VOTE BY TELEPHONE 1. LOG ON THE INTERNET AND 1. CALL TOLL-FREE GO TO HTTP://WWW.EPROXYVOTE.COM/III 1-877-PRX-VOTE (1-877-779-8683) 2. ENTER YOUR VOTER CONTROL NUMBER 2. ENTER YOUR VOTER CONTROL NUMBER LISTED ABOVE AND FOLLOW THE EASY LISTED ABOVE AND FOLLOW THE EASY STEPS OUTLINED ON THE SECURED RECORDED INSTRUCTIONS. WEBSITE. ----- IF YOU VOTE OVER THE INTERNET OR BY TELEPHONE, PLEASE DO NOT MAIL YOUR CARD. DETACH HERE IF YOU ARE RETURNING YOUR PROXY CARD BY MAIL | [X] PLEASE MARK \_ | VOTES AS IN | |\_\_ THIS EXAMPLE. |

----- THE  
BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" ITEMS 1 AND 2.

----- 1.  
Election of Directors FOR AGAINST ABSTAIN NOMINEES: (01) Robert B. Millard and (02) Arthur L. Simon. 2.  
Appointment of PricewaterhouseCoopers [ ] [ ] [ ] LLP as independent auditors. FOR WITHHELD [ ] [ ] [ ]  
----- For all nominee(s) except as written above.

----- Mark  
box at right if you plan to attend the Annual Meeting. [ ] Mark box at right if an address change or comment [ ] has  
been noted on the reverse side of this card. NOTE: Please sign exactly as names appear hereon. When signing as  
attorney, administrator, trustee, authorized officer of a corporation or in any representative capacity, please insert your  
name and title as such. Joint owners should each sign individually.