Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
MERCHANTS MUTUAL CAPITAL ACCUMULATION PLAN

1b Three-digit plan number (PN) ▶ 002

1c Effective date of plan 07/01/1980

2a Plan sponsor's name and address (employer, if for a single-employer plan)
(Address should include room or suite no.)
MERCHANTS MUTUAL INSURANCE CO.

250 MAIN STREET
BUFFALO, NY 14202-4104

2b Employer Identification Number (EIN)
16-0550140

2c Sponsor's telephone number
716-849-3399

2d Business code (see instructions)
524140

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/20/2010	KENNETH J WILSON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	09/20/2010	KENNETH J WILSON
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") MERCHANTS MUTUAL INSURANCE CO. 250 MAIN STREET BUFFALO, NY 14202-4104	**3b** Administrator's EIN 16-0550140 **3c** Administrator's telephone number 716-849-3399

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: **a** Sponsor's name	**4b** EIN **4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	388
6 Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a Active participants	**6a**	333
b Retired or separated participants receiving benefits	**6b**	7
c Other retired or separated participants entitled to future benefits	**6c**	66
d Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	406
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	0
f Total. Add lines **6d** and **6e**	**6f**	406
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	401
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	8
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2G 2J 2K 2F 2R 2S 2T

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	Insurance	**(1)**	Insurance
(2)	Code section 412(e)(3) insurance contracts	**(2)**	Code section 412(e)(3) insurance contracts
(3) X	Trust	**(3)** X	Trust
(4)	General assets of the sponsor	**(4)**	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules		**b General Schedules**	
(1) X	**R** (Retirement Plan Information)	**(1)** X	**H** (Financial Information)
(2)	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	**(2)**	**I** (Financial Information – Small Plan)
		(3)	___ **A** (Insurance Information)
		(4) X	**C** (Service Provider Information)
(3)	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	**(5)** X	**D** (DFE/Participating Plan Information)
		(6)	**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
MERCHANTS MUTUAL CAPITAL ACCUMULATION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
MERCHANTS MUTUAL INSURANCE CO.

D Employer Identification Number (EIN)
16-0550140

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

JPMORGAN RETIREMENT PLAN SERVICES
9300 WARD PARKWAY
KANSAS CITY, MO 64114

71-0930784

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

CHARLES SCHWAB & CO INC

94-1737782

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

JPMORGAN RETIREMENT PLAN SERVICES
9300 WARD PARKWAY
KANSAS CITY, MO 64114

71-0930784

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 50 59 62 64	NONE	2750	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

CHARLES SCHWAB & CO INC

94-1737782

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
33 50 59 71	NONE	1975	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY 4500 MAIN ST KANSAS CITY, MO 64112	FOR 2009, 28 BPS PER ANNUM OF THE AVG NET ASSETS FOR AMERICAN CENTURY EQUITY GROWTH-INV

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY 4500 MAIN ST KANSAS CITY, MO 64112	FROM OF JAN TO THE END OF NOV 9 BPS PER ANNUM OF THE AVG NET ASSETS FOR AMERICAN CENTURY EQUITY INDEX-INST.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY 4500 MAIN ST KANSAS CITY, MO 64112	FOR 2009, 40 BPS PER ANNUM OF THE AVG NET ASSETS FOR AMERICAN CENTURY SMALL CAP VALUE INV.

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY 4500 MAIN ST KANSAS CITY, MO 64112	FOR 2009, 45 BPS PER ANNUM OF THE AVG NET ASSETS FOR AMERICAN CENTURY STRATEGIC ALLOC AGGRESSIVE-INV

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY 4500 MAIN ST KANSAS CITY, MO 64112	FOR 2009, 40 BPS PER ANNUM OF THE AVG NET ASSETS FOR AMERICAN CENTURY STRATEGIC ALLOC CONSERVATIVE-INV

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
AMERICAN CENTURY	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY 4500 MAIN ST KANSAS CITY, MO 64112	FOR 2009, 45 BPS PER ANNUM OF THE AVG NET ASSETS FOR AMERICAN CENTURY STRATEGIC ALLOC MODERATE-INV

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY 4500 MAIN ST KANSAS CITY, MO 64112	FOR 2009, 40 BPS PER ANNUM OF THE AVG NET ASSETS FOR AMERICAN CENTURY ULTRA INV

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY 4500 MAIN ST KANSAS CITY, MO 64112	FOR 2009, 40 BPS PER ANNUM OF THE AVG NET ASSETS FOR AMERICAN CENTURY VALUE-INV

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN FUNDS GROUP PO BOX 6040 INDEANOPOLIS, IN 46206	FOR 2009, 35 BPS PER ANNUM OF THE AVG NET ASSETS FOR AMERICAN FUNDS EUROPACIFIC GROWTH-R4

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERIVCES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
ARTISAN FUNDS PO BOX 8412 BOSTON, MA 02266	FOR 2009, 35 BPS PER ANNUM OF THE AVG NET ASSETS FOR ARTISAN MID CAP VALUE INV

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
BUFFALO FUNDS PO BOX 701 MILWAUKEE, WI 53201	FOR 2009, 40 BPS PER ANNUM OF THE AVG NET ASSETS FOR BUFFALO SMALL CAP

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPMORGAN FUNDS PO BOX 8528 BOSTON, MA 02266-8528	FROM BEGIN OF JAN TO END OF MAY 44.5 BPS PER ANNUM OF THE AVG NET ASSETS FOR JPMORGAN CAPITAL GROWTH SELECT

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPMORGAN FUNDS PO BOX 8528 BOSTON, MA 02266-8528	FROM BEGIN OF JUNE TO END OF JUNE 49.5 BPS PER ANNUM OF THE AVG NET ASSETS FOR JPMORGAN DIVERSIFIED MID-CAP GROWTH SELECT

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPMORGAN FUNDS PO BOX 8528 BOSTON, MA 02266-8528	FROM BEGIN OF DEC TO END OF DEC 10 BPS PER ANNUM OF THE AVG NET ASSETS FOR JPMORGAN EQUITY INDEX-SELECT

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPMORGAN FUNDS PO BOX 8528 BOSTON, MA 02266-8528	FROM BEGIN OF JULY TO END OF DEC 49.5 BPS PER ANNUM OF THE AVG NET ASSETS FOR JPMORGAN MID CAP GROWTH SELECT

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JPMORGAN FUNDS PO BOX 8528 BOSTON, MA 02266-8528	FOR 2009, 15 BPS PER ANNUM OF THE AVG NET ASSETS FOR JPMORGAN STABLE VALUE

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
JPMORGAN RETIREMENT PLAN SERVICES	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PIMCO 1345 AVENUE OF THE AMERICAS NEW YORK, NY 10105-4800	FOR 2009, 25 BPS PER ANNUM OF THE AVG NET ASSETS FOR PIMCO TOTAL RETURN ADMIN

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
AMERICAN CENTURY 44-6006315	RAOE OF .35% OF AVERAGE DAILY BALANCE OF ASSETS

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
FIRST EAGLE 13-3392291	RATE OF .40% OF AVERAGE DAILY BALANCE OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
JANUS 43-1804048	RATE OF .33% OF AVERAGE DAILY BALANCE OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARELS SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
KEELEY 36-3160361	RATE OF .40% OF AVERAGE DAILY BALANCE OF ASSETS

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
MANNING NAPIER 16-0995736	RATE OF .40% OF AVERAGE DAILY BALANCE OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OAKMARK 04-3276558	RATE OF .35% OF AVERAGE DAILY BALANCE OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
OBERWEIS 36-4106772	RATE OF .40% OF AVERAGE DAILY BALANCE OF ASSETS

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PUTNAM 36-4488942	RATE OF .25% OF AVERAGE DAILY BALANCE OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
QUAKER 23-2854612	RATE OF .40% OF AVERAGE DAILY BALANCE OF ASSETS

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
SCHWAB FUNDS 94-3106735	RATE OF .25% OF AVERAGE DAILY BALANCE OF ASSETS

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
CHARLES SCHWAB	59	0
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
US GLOBAL INVESTORS 74-1619375	RATE OF .40% OF AVERAGE DAILY BALANCE OF ASSETS.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
MERCHANTS MUTUAL CAPITAL ACCUMULATION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
MERCHANTS MUTUAL INSURANCE CO.

D Employer Identification Number (EIN)
16-0550140

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: JPMORGAN STABLE VALUE CCT

b Name of sponsor of entity listed in (a): JPMORGAN BANK NA

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
26-0463057-001	C	8476350

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

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b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

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b Name of plan sponsor	**c** EIN-PN

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b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
MERCHANTS MUTUAL CAPITAL ACCUMULATION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
MERCHANTS MUTUAL INSURANCE CO.

D Employer Identification Number (EIN)
16-0550140

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	405935	741551
(9) Value of interest in common/collective trusts	1c(9)	7441345	8476350
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	16780792	22097513
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	1247406	1441380

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	25875478	32756794
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	25875478	32756794

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	1323354	
	(B) Participants	2a(1)(B)	1698673	
	(C) Others (including rollovers)	2a(1)(C)	29723	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		3051750
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	29940	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		29940
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	406988	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		406988
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		599323
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		4085503
c Other income	2c		308684
d Total income. Add all **income** amounts in column (b) and enter total	2d		8482188
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1598122	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1598122
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	2750	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		2750
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1600872
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		6881316
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [X] Unqualified (2) [ ] Qualified (3) [ ] Disclaimer (4) [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: DOPKINS AND COMPANY (2) EIN: 16-0929175

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. (2) [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		4000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
MERCHANTS MUTUAL CAPITAL ACCUMULATION PLAN

B Three-digit plan number (PN) ▶ 002

C Plan sponsor's name as shown on line 2a of Form 5500
MERCHANTS MUTUAL INSURANCE CO.

D Employer Identification Number (EIN)
16-0550140

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 43-6389220

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Dopkins & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

To the Investment Committee of the Merchants
Mutual Capital Accumulation Plan
Buffalo, New York

We have audited the accompanying statements of net assets available for benefits (modified cash basis) of the Merchants Mutual Capital Accumulation Plan as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits (modified cash basis) for the years then ended. 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 auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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.

As described in Note 2, the financial statements and supplemental schedule were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Merchants Mutual Capital Accumulation Plan as of December 31, 2009 and 2008, and the changes in net assets available for benefits for the years then ended, on the basis of accounting described in Note 2.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2009 (modified cash basis) is presented for purposes of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic 2009 financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic 2009 financial statements taken as a whole.

Dopkins & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS

August 16, 2010

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MERCHANTS MUTUAL CAPITAL ACCUMULATION PLAN

Financial Report

December 31, 2009 and 2008

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Dopkins & Company, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

INDEPENDENT AUDITORS' REPORT

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Buffalo, New York

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MERCHANTS MUTUAL CAPITAL ACCUMULATION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
(Modified Cash Basis)
December 31, 2009 and 2008

ASSETS	2009	2008
Investments, at fair value	$ **32,015,243**	$ 25,469,543
Loans to participants	**741,551**	405,935
Net assets available for benefits at fair value	**32,756,794**	25,875,478
Adjustment from fair value to contract value for interest in collective trust fund relating to fully benefit-responsive investment contracts	**299,687**	727,038
Net assets available for benefits	$ **33,056,481**	$ 26,602,516

See Notes to Financial Statements.

MERCHANTS MUTUAL CAPITAL ACCUMULATION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
(Modified Cash Basis)
December 31, 2009 and 2008

	2009	2008
Investment income (loss):		
Investment income	$ 406,988	$ 561,221
Net appreciation (depreciation) in fair value of investments	4,566,159	(8,246,208)
Interest collected on loans to participants	29,940	32,403
	5,003,087	(7,652,584)
Contributions:		
Employer	1,323,354	1,355,902
Participants, includes rollovers	1,728,396	1,996,047
	3,051,750	3,351,949
Total investment income (loss) and contributions	8,054,837	(4,300,635)
Benefits paid	1,598,122	2,098,412
Administrative expenses	2,750	1,070
Total benefits and administrative expenses	1,600,872	2,099,482
Net increase (decrease) in net assets available for benefits	6,453,965	(6,400,117)
Net assets available for benefits:		
Beginning of year	26,602,516	33,002,633
End of year	$ 33,056,481	$ 26,602,516

See Notes to Financial Statements.

NOTES TO FINANCIAL STATEMENTS

Note 1. Plan Description

The following description of the Merchants Mutual Capital Accumulation Plan (the Plan) is provided for general information only. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General:

The Plan is a single employer, defined contribution plan covering substantially all full and part-time employees of Merchants Mutual Insurance Company and of its wholly-owned subsidiary, MPIC, Inc. (collectively, the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Plan administration is the responsibility of the Plan Administrator appointed by the Board of Directors of the Company.

Eligibility:

Every employee of the Company automatically becomes a participant in the Plan, except for employees who are members of a collective bargaining unit, an intern, or independent contractor.

Contributions:

Participant contributions consist of pre-tax voluntary contributions up to a maximum of 25% of annual compensation subject to limitations of the Internal Revenue Code (IRC). Participant contributions included direct rollovers from other qualified plans in the amount of $29,723 and $146,162 in 2009 and 2008, respectively. Employer contributions consist of matching up to the first 6% of participants' pre-tax voluntary contributions based on established percentage rates determined by the combined statutory net income of the Company and its insurance subsidiaries. In 2009 and 2008, the Company matched 100% and 90% of the first 6% of participants' pre-tax voluntary contributions, respectively. In addition, a discretionary contribution may be paid by the Company and allocated to participants based on an established formula. The Company's matching contributions in 2009 and 2008 were $998,354 and $1,030,902, respectively. The Company's discretionary contribution was $325,000 in both 2009 and 2008.

Note 1. Plan Description (Continued)

Vesting:

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. The Plan provides for full vesting in the Company's contribution upon completion of three years of credited service. The portion of a participant's account which has not previously vested shall become fully vested immediately upon attainment of age 65, or if earlier, upon disability or death while employed by the Company.

The portion of a participant's employer contribution account that is not vested at the time a break in service occurs is forfeited. As of the last day of each Plan year, all amounts forfeited during the Plan year shall be aggregated and reallocated to participants in the following Plan year based on an established formula. Forfeitures used totaled $21,304 and $20,768 for the years ended December 31, 2009 and 2008, respectively.

Benefits:

Participants are eligible for benefits upon reaching age 65 or termination of employment with the Company based on their vested interest. They are also eligible to make in-service withdrawals in accordance with the provisions of the Plan agreement.

Loans to participants:

Participants are able to borrow funds from their respective balances in the Plan. Participants may borrow up to a maximum of $50,000 or 50% of the vested portion of their account balance, whichever is less. The loans are secured by the balance in the participant's account. Loans granted in 2009 bear interest at 3.25%. Outstanding loans bear rates of 3.25% to 8.25% as determined by the pension committee of the Company and are for terms of five years or less.

Administrative expenses:

All administrative expenses are paid by the Company, with the exception of loan set-up and maintenance fees, which are charged against participants' individual accounts.

Note 1. Plan Description (Continued)

Distribution of net assets in the event of 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 provision of ERISA. In the event of Plan termination, participants will become 100% vested in their accounts and the assets of the Plan shall be allocated, net of expenses, among Plan participants in proportion to their respective account balances or in such other manner as may be required under Section 403(d) of ERISA.

Participant accounts:

Separate accounts are maintained for each Plan participant. Participants direct their investments of the account balance among the various investment options. Additionally, participants have access to a brokerage firm to acquire individual debt and equity securities. Each participant's account is credited with the participant's and the Company's contributions and investment earnings, and charged with investment losses and administrative expenses. Investment earnings and losses are allocated to participants based on the ratio of a participant's account invested in a particular fund to all participants' investments in that fund. The benefit to which a participant is entitled is equal to the amount of the participant's vested account balance.

Note 2. Significant Accounting Policies

Basis of accounting:

The accounts of the Plan are maintained on the modified cash basis of accounting, which differs from the accrual basis of accounting under accounting principles generally accepted in the United States of America. The modified cash basis of accounting recognizes certain revenue and the related assets when received rather than when earned and recognizes certain expenses and related liabilities when paid rather than when the obligation is incurred.

Note 2. Significant Accounting Policies (Continued)

Basis of accounting (continued):

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The statement of net assets available for benefits presents the fair value of the investment contracts, as well as the adjustment of the fully benefit-responsive investment contracts from fair value to contract value. The statement of changes in net assets available for benefits is prepared on a contract value basis.

Investments and investment income:

The Plan's investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements. Purchases and sales of investments are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date.

Benefits:

Benefits are recorded when paid.

Use of estimates:

The preparation of financial statements in conformity with the modified cash basis of accounting requires the Plan Administrator to make estimates and assumptions that affect the reported amounts of net assets available for benefits and changes in net assets available for benefits. Actual results could differ from those estimates.

Subsequent events:

Subsequent events have been evaluated through August 16, 2010, which is the date the financial statements were available to be issued.

Note 3. Investments

The following table presents the participant-directed investments in this Plan. Single investments representing more than 5% of the Plan's net assets as of December 31, 2009 and 2008 are separately identified.

	2009	2008
Collective Trust Fund:		
JP Morgan Stable Value (contract value of $8,776,037 and $8,168,383 at December 31, 2009 and 2008, respectively)	**$ 8,476,350**	$ 7,441,345
Mutual Funds:		
American Century EuroPacific Growth	**2,024,229**	1,356,182
American Century Ultra Investors Fund	**2,488,062**	2,186,144
American Century Value Fund	**2,310,025**	2,142,846
American Century Strategic Allocation Moderate Fund	**4,172,111**	3,854,328
American Century Equity Growth	**1,892,287**	1,747,311
Pimco Total Return Fund	**2,812,422**	1,448,654
Other mutual funds	**6,398,377**	4,045,327
	22,097,513	16,780,792
Self-Directed Brokerage Accounts:		
Common Stocks	**534,195**	391,083
Corporate Bonds	**154,081**	101,815
Mutual Funds	**753,104**	754,508
	1,441,380	1,247,406
	$ 32,015,243	$ 25,469,543

Net appreciation (depreciation) in fair value of investments (including investments bought, sold, as well as held during the year) for the years ended December 31, 2009 and 2008 is summarized as follows:

	2009	2008
Mutual Funds	**$ 4,257,475**	$ (7,870,647)
Self-Directed Brokerage Accounts:	**308,684**	(375,561)
	$ 4,566,159	$ (8,246,208)

Note 4. Fair Value Measurements

The Fair Value Measurement and Disclosures Topic of the FASB Accounting Standards Codification establishes a framework for measuring fair value. The framework provides a fair value hierarchy that 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 (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Quoted prices in active markets for identical assets that the Plan has the ability to access.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3 – Significant inputs to the valuation model are unobservable.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2009 and 2008.

The collective trust fund is valued at estimated fair value, as quoted by the fund, which represents the estimated fair value of the underlying investments of the fund. The collective trust fund invests in, among other instruments, certain securities that are comprised of investment contracts that are fully benefit-responsive.

Mutual funds are reported at fair value based on quoted market prices, which represent the net asset value of the shares held by the Plan.

Participant loans are valued at cost, which approximates fair value as determined by considering the loan interest rates in effect as compared to market rates and the credit worthiness of the borrower.

Common stocks are valued at fair value based on quoted market prices.

Corporate bonds are valued at approximate fair value using a pricing model.

Note 4. Fair Value Measurements (Continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2009:

	2009			
	Level 1	**Level 2**	**Level 3**	**Total**
Mutual funds:				
Growth funds	**$ 13,200,640**	**$ -**	**$ -**	**$ 13,200,640**
Balanced funds	**4,977,237**	**-**	**-**	**4,977,237**
Fixed income funds	**2,812,422**	**-**	**-**	**2,812,422**
Index funds	**1,107,214**	**-**	**-**	**1,107,214**
Other funds	**753,104**	**-**	**-**	**753,104**
	22,850,617	**-**	**-**	**22,850,617**
Collective trust fund:				
Cash alternatives	**-**	**8,476,350**	**-**	**8,476,350**
Common stocks	**534,195**	**-**	**-**	**534,195**
Corporate bonds	**-**	**154,081**	**-**	**154,081**
Participant loans	**-**	**-**	**741,551**	**741,551**
	$ 23,384,812	**$ 8,630,431**	**$ 741,551**	**$ 32,756,794**

Note 4. Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value at December 31, 2008:

	2008			
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Growth funds	$ 10,306,078	$ -	$ -	$ 10,306,078
Balanced funds	4,286,549	-	-	4,286,549
Fixed income funds	1,448,654	-	-	1,448,654
Index funds	739,511	-	-	739,511
Other funds	754,508	-	-	754,508
	17,535,300	-	-	17,535,300
Collective trust fund:				
Cash alternatives	-	7,441,345	-	7,441,345
Common stocks	391,083	-	-	391,083
Corporate bonds	-	101,815	-	101,815
Participant loans	-	-	405,935	405,935
	$ 17,926,383	$ 7,543,160	$ 405,935	$ 25,875,478

The following table sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the years ended December 31, 2009 and 2008:

	Participant Loans	
	2009	2008
Balance, beginning of year	**$ 405,935**	$ 456,875
Loan issuances and payments (net)	**335,616**	(50,940)
	$ 741,551	$ 405,935

Note 5. Related – Party Transactions

Certain Plan investments are managed by JP Morgan Retirement Plan Services (JP Morgan). JP Morgan is the trustee as defined by the Plan and, therefore, transactions with these investments qualify as party-in-interest transactions. Fees paid by the Plan to JP Morgan amounted to $2,750 and $1,070 for the years ended December 31, 2009 and 2008, respectively.

NOTES TO FINANCIAL STATEMENTS

Note 6. Tax Status

The Plan obtained its latest determination letter on December 20, 2002, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements of the IRC and is exempt from Federal income taxes. The Plan has been amended since receiving the determination letter; however, the Plan Administrator believes the Plan is designed and being operated in compliance with the applicable requirements of the IRC.

Note 7. Risk and Uncertainty

Investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statements of changes in net assets available for benefits.

Note 8. Reconciliation of Differences Between these Financial Statements and the Financial Information Required on Form 5500

	2009	2008
Net assets available for benefits as presented in these financial statements	**$ 33,056,481**	$ 26,602,516
Adjustment from fair value to contract value for interest in collective trust fund relating to fully benefit-responsive investment contracts	**(299,687)**	(727,038)
Net assets available for benefits as presented on Form 5500	**$ 32,756,794**	$ 25,875,478

	2009
Net increase in net assets available for benefits as presented on these financial statements	**$ 6,453,965**
Change in the adjustment from fair value to contract value for interest in collective trust fund relating to fully benefit-responsive investment contracts	**427,351**
Net increase in net assets available for benefits as presented on Form 5500	**$ 6,881,316**

* * * * *

SUPPLEMENTAL SCHEDULE

MERCHANTS MUTUAL CAPITAL ACCUMULATION PLAN

SCHEDULE H, Line 4i – SCHEDULE OF ASSETS (HELD AT END OF YEAR)
(Modified Cash Basis)
December 31, 2009

EIN: 16-0550140
Plan Number: 002

Identity of issuer, borrower, lessor, or similar party	Description of investments, including maturity date, rate of interest, collateral par, or maturity value	Current Value
Collective Trust Fund:		
JP Morgan*	Stable Value Fund (81,584 shares)	$ 8,476,350
Mutual Funds:		
American Century	Ultra Investors Fund (127,790 shares)	2,488,062
American Century	Value Fund (448,548 shares)	2,310,025
American Century	Strategic Allocation Aggressive Fund (152,175 shares)	1,016,528
American Century	Strategic Allocation Conservation Fund (157,251 shares)	805,127
American Century	Strategic Allocation Moderate Fund (709,543 shares)	4,172,111
American Century	Small Cap Value Fund (202,338 shares)	1,479,089
JP Morgan*	Equity Index Fund (43,729 shares)	1,107,213
American Funds	EuroPacific Growth Fund (53,665 shares)	2,024,229
Buffalo Funds	Buffalo Small Cap Fund (38,156 shares)	857,755
American Century	Equity Growth Fund (102,898 shares)	1,892,287
Pimco Investments	Pimco Total Return Fund (260,409 shares)	2,812,422
Artisan Funds	Artisan Midcap Value Fund (42,784 shares)	769,265
JP Morgan*	Midcap Value Fund (19,836 shares)	363,400
		22,097,513
Self-Directed Brokerage Accounts:		
Schwab Institutional	Individual equity and debt investments selected by plan participants	1,441,380
Loans to Participants:		
Plan participants*	Loans with varying maturities, bearing interest at 3.25% to 8.25%	741,551
		$ 32,756,794

* Party named is a party-in-interest.

SCHEDULE H - PART IV - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN #: 16-0550140

(SEE SCHEDULE H-PART IV 4(i)

PN #: 002

PLAN NAME: Merchants Mutual Capital Accumulation Plan

PLAN NUMBER: 036685 FOR PERIOD: 01/01/2009-12/31/2009

(B) IDENTITY OF PARTY	(C) DESCRIPTION OF ASSET	(D) COST*	(E) CURRENT VALUE
AMERICAN CENTURY	ULTRA	N/A	2,488,061.89
AMERICAN CENTURY	VALUE	N/A	2,310,024.93
COLUMBIA MANAGEMENT	COLUMBIA SMALL CAP	N/A	1,479,088.62
AMERICAN CENTURY	STRATEGIC ALLOC: CONSERVATIVE	N/A	805,126.66
AMERICAN CENTURY	STRATEGIC ALLOC: MODERATE	N/A	4,172,111.01
AMERICAN CENTURY	STRATEGIC ALLOC: AGGRESSIVE	N/A	1,016,527.99
PIMCO INVESTMENTS	PIMCO TOTAL RETURN	N/A	2,812,421.68
ARTISAN FUNDS	ARTISON MD CAP VAL	N/A	769,264.97
AMERICAN FUNDS	AF EUROPAC GROWTH	N/A	2,024,228.93
BUFFALO FUNDS	BUFFALO SMALL CAP	N/A	857,755.37
AMERICAN CENTURY	AC EQUITY GROWTH	N/A	1,892,286.97
VARIOUS	PARTICIPANT LOANS (3.25 TO 8.25 %)	N/A	741,550.94
JPMORGAN	STABLE ASSET	N/A	8,476,349.99
JPMORGAN	EQUITY INDEX		1,107,213.86
JPMORGAN	MID CAP	N/A	363,400.15
SCHWAB	BROKERAGE		1,441,379.94
		0.00	32,756,793.90

* NOT REQUIRED FOR PARTICIPANT DIRECTED ACCOUNTS