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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br><b>▶ Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210-0110<br>1210-0089<br><br><div style="text-align: center; font-size: 24pt; font-weight: bold;">2009</div><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                     |                                                 |                                                                |                                                                                 |
|-----------------------------------------------------------------------------------------------------|-------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                       | <b>Annual Report Identification Information</b> |                                                                |                                                                                 |
| For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009          |                                                 |                                                                |                                                                                 |
| <b>A</b> This return/report is for:                                                                 |                                                 | <input type="checkbox"/> a multiemployer plan;                 | <input type="checkbox"/> a multiple-employer plan; or                           |
|                                                                                                     |                                                 | <input checked="" type="checkbox"/> a single-employer plan;    | <input type="checkbox"/> a DFE (specify) ____                                   |
| <b>B</b> This return/report is:                                                                     |                                                 | <input type="checkbox"/> the first return/report;              | <input type="checkbox"/> the final return/report;                               |
|                                                                                                     |                                                 | <input type="checkbox"/> an amended return/report;             | <input type="checkbox"/> a short plan year return/report (less than 12 months). |
| <b>C</b> If the plan is a collectively-bargained plan, check here. . . . . <input type="checkbox"/> |                                                 |                                                                |                                                                                 |
| <b>D</b> Check box if filing under:                                                                 |                                                 | <input checked="" type="checkbox"/> Form 5558;                 | <input type="checkbox"/> automatic extension;                                   |
|                                                                                                     |                                                 | <input type="checkbox"/> special extension (enter description) | <input type="checkbox"/> the DFVC program;                                      |

|                                                                                                                                                                                                                                                         |                                                                |                                                              |     |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|-----|
| <b>Part II</b>                                                                                                                                                                                                                                          | <b>Basic Plan Information</b> —enter all requested information |                                                              |     |
| <b>1a</b> Name of plan<br>THE HOME INSURANCE COMPANY RETIREMENT PLAN                                                                                                                                                                                    |                                                                | <b>1b</b> Three-digit plan number (PN) ▶                     | 004 |
|                                                                                                                                                                                                                                                         |                                                                | <b>1c</b> Effective date of plan<br>12/14/1991               |     |
| <b>2a</b> Plan sponsor's name and address (employer, if for a single-employer plan)<br>(Address should include room or suite no.)<br>ZURICH AMERICAN INSURANCE COMPANY<br><br>CAPABILITY DEVELOPMENT<br>1400 AMERICAN LANE<br>SCHAUMBURG, IL 60196-1056 |                                                                | <b>2b</b> Employer Identification Number (EIN)<br>36-4233459 |     |
|                                                                                                                                                                                                                                                         |                                                                | <b>2c</b> Sponsor's telephone number<br>847-605-6213         |     |
|                                                                                                                                                                                                                                                         |                                                                | <b>2d</b> Business code (see instructions)<br>524290         |     |

**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.

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/11/2010 | SARAH STAGGS                                                 |
|                  | <b>Signature of plan administrator</b>            | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | <b>Signature of employer/plan sponsor</b>         | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | <b>Signature of DFE</b>                           | Date       | Enter name of individual signing as DFE                      |

|                                                                                                                                                                                                                   |                                                                                                           |
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| <b>3a</b> Plan administrator's name and address (if same as plan sponsor, enter "Same")<br>ZURICH AMERICAN INSURANCE COMPANY<br>CAPABILITY DEVELOPMENT<br>1400 AMERICAN LANE<br>SCHAUMBURG, IL 60196-1056         | <b>3b</b> Administrator's EIN<br>36-4233459<br><b>3c</b> Administrator's telephone number<br>847-605-6213 |
| <b>4</b> 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:<br><b>a</b> Sponsor's name | <b>4b</b> EIN<br><br><b>4c</b> PN                                                                         |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                           | <b>5</b> 4142                                                                                             |
| <b>6</b> Number of participants as of the end of the plan year (welfare plans complete only lines <b>6a</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                            |                                                                                                           |
| <b>a</b> Active participants.....                                                                                                                                                                                 | <b>6a</b> 158                                                                                             |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                | <b>6b</b> 1608                                                                                            |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                 | <b>6c</b> 2216                                                                                            |
| <b>d</b> Subtotal. Add lines <b>6a</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                          | <b>6d</b> 3982                                                                                            |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....                                                                                                         | <b>6e</b> 158                                                                                             |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                           | <b>6f</b> 4140                                                                                            |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....                                                                    | <b>6g</b>                                                                                                 |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....                                                                        | <b>6h</b> 0                                                                                               |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....                                                                              | <b>7</b>                                                                                                  |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:<br>1A 1G 1I 3H                                        |                                                                                                           |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:                                                        |                                                                                                           |

|                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                 | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

|                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
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| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2009</b><br><br><b>This Form is Open to Public Inspection</b> |
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For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>THE HOME INSURANCE COMPANY RETIREMENT PLAN</u>                                                                | <b>B</b> Three-digit plan number (PN) ▶ <u>004</u>                                                                                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>ZURICH AMERICAN INSURANCE COMPANY</u>                      | <b>D</b> Employer Identification Number (EIN)<br><u>36-4233459</u>                                                                                      |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |

|               |                                                                                                                                                                                                        |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b> | <b>Basic Information</b>                                                                                                                                                                               |
| <b>1</b>      | Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2009</u>                                                                                                                               |
| <b>2</b>      | Assets:                                                                                                                                                                                                |
| <b>a</b>      | Market value ..... <b>2a</b> <u>150807947</u>                                                                                                                                                          |
| <b>b</b>      | Actuarial value ..... <b>2b</b> <u>161032124</u>                                                                                                                                                       |
| <b>3</b>      | Funding target/participant count breakdown                                                                                                                                                             |
|               | (1) Number of participants (2) Funding Target                                                                                                                                                          |
| <b>a</b>      | For retired participants and beneficiaries receiving payment ..... <b>3a</b> <u>1766</u> <u>66736631</u>                                                                                               |
| <b>b</b>      | For terminated vested participants ..... <b>3b</b> <u>2216</u> <u>62236803</u>                                                                                                                         |
| <b>c</b>      | For active participants:                                                                                                                                                                               |
| (1)           | Non-vested benefits ..... <b>3c(1)</b> <u>280960</u>                                                                                                                                                   |
| (2)           | Vested benefits ..... <b>3c(2)</b> <u>5237903</u>                                                                                                                                                      |
| (3)           | Total active ..... <b>3c(3)</b> <u>158</u> <u>5518863</u>                                                                                                                                              |
| <b>d</b>      | Total ..... <b>3d</b> <u>4140</u> <u>134492297</u>                                                                                                                                                     |
| <b>4</b>      | If the plan is at-risk, check the box and complete items (a) and (b) ..... <input type="checkbox"/>                                                                                                    |
| <b>a</b>      | Funding target disregarding prescribed at-risk assumptions ..... <b>4a</b>                                                                                                                             |
| <b>b</b>      | Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor ..... <b>4b</b> |
| <b>5</b>      | Effective interest rate ..... <b>5</b> <u>8.20</u> %                                                                                                                                                   |
| <b>6</b>      | Target normal cost ..... <b>6</b> <u>130000</u>                                                                                                                                                        |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                                                     |                                                      |
|-------------------------------------------------------------------------------------|------------------------------------------------------|
| <b>SIGN HERE</b>                                                                    | <u>10/04/2010</u>                                    |
| Signature of actuary<br><u>JAMES M. DERENGOWSKI, A.S.A., E.A.</u>                   | Date<br><u>08-06555</u>                              |
| Type or print name of actuary<br><u>TOWERS WATSON</u>                               | Most recent enrollment number<br><u>312-525-2461</u> |
| Firm name<br><u>71 S. WACKER DRIVE, SUITE 2100</u><br><u>CHICAGO, IL 60606-1615</u> | Telephone number (including area code)               |
| Address of the firm                                                                 |                                                      |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.**

**Schedule SB (Form 5500) 2009**  
**v.092308.1**

| Part II Beginning of year carryover and prefunding balances                                       |                       |                        |
|---------------------------------------------------------------------------------------------------|-----------------------|------------------------|
|                                                                                                   | (a) Carryover balance | (b) Prefunding balance |
| 7 Balance at beginning of prior year after applicable adjustments (Item 13 from prior year) ..... | 215000                | 0                      |
| 8 Portion used to offset prior year's funding requirement (Item 35 from prior year) .....         | 0                     | 0                      |
| 9 Amount remaining (Item 7 minus item 8).....                                                     | 215000                | 0                      |
| 10 Interest on item 9 using prior year's actual return of <u>-3.63</u> % .....                    | -7805                 |                        |
| 11 Prior year's excess contributions to be added to prefunding balance:                           |                       |                        |
| a Excess contributions (Item 38 from prior year) .....                                            |                       | 0                      |
| b Interest on (a) using prior year's effective rate of <u>6.05</u> % .....                        |                       | 0                      |
| c Total available at beginning of current plan year to add to prefunding balance .....            |                       | 0                      |
| d Portion of (c) to be added to prefunding balance.....                                           |                       | 0                      |
| 12 Reduction in balances due to elections or deemed elections.....                                | 0                     | 0                      |
| 13 Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....              | 207195                | 0                      |

| Part III Funding percentages                                                                                                                                       |    |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----------|
| 14 Funding target attainment percentage.....                                                                                                                       | 14 | 119.57 % |
| 15 Adjusted funding target attainment percentage.....                                                                                                              | 15 | 119.73 % |
| 16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement..... | 16 | 100.83 % |
| 17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.....                                        | 17 | %        |

| Part IV Contributions and liquidity shortfalls                                    |                                   |                                 |                          |                                   |                                 |
|-----------------------------------------------------------------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 18 Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                 |                          |                                   |                                 |
| (a) Date<br>(MM-DD-YYYY)                                                          | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|                                                                                   |                                   |                                 |                          |                                   |                                 |
|                                                                                   |                                   |                                 |                          |                                   |                                 |
|                                                                                   |                                   |                                 |                          |                                   |                                 |
|                                                                                   |                                   |                                 |                          |                                   |                                 |
|                                                                                   |                                   |                                 |                          |                                   |                                 |
|                                                                                   |                                   |                                 |                          |                                   |                                 |
| Totals ►                                                                          |                                   |                                 | 18(b)                    | 0                                 | 18(c) 0                         |

|                                                                                                                               |                                                                     |   |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|---|
| 19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: |                                                                     |   |
| a Contributions allocated toward unpaid minimum required contribution from prior years.....                                   | 19a                                                                 | 0 |
| b Contributions made to avoid restrictions adjusted to valuation date .....                                                   | 19b                                                                 | 0 |
| c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....               | 19c                                                                 | 0 |
| 20 Quarterly contributions and liquidity shortfalls:                                                                          |                                                                     |   |
| a Did the plan have a "funding shortfall" for the prior year? .....                                                           | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |   |
| b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? .....                   | <input type="checkbox"/> Yes <input type="checkbox"/> No            |   |
| c If 20a is "Yes," see instructions and complete the following table as applicable:                                           |                                                                     |   |

| Liquidity shortfall as of end of Quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
|                                                            |         |         |         |

**Part V Assumptions used to determine funding target and target normal cost**

|                                                                                                                                                                                              |                   |                   |                   |                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|----------------------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                   |                   |                   |                                                                |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>% | 2nd segment:<br>% | 3rd segment:<br>% | <input checked="" type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code) .....                                                                                                                                                 |                   |                   |                   | <b>21b</b> 3                                                   |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              |                   |                   |                   | <b>22</b> 61                                                   |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                   |                   |                   |                                                                |

**Part VI Miscellaneous items**

|                                                                                                                                                                        |                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....                                      | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....                             | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment.....                   | <b>27</b>                                                           |

**Part VII Reconciliation of unpaid minimum required contributions for prior years**

|                                                                                                                                     |           |   |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contribution for all prior years .....                                                            | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (item 28 minus item 29) .....                                   | <b>30</b> | 0 |

**Part VIII Minimum required contribution for current year**

|                                                                                                                                                                                      |                     |                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|
| <b>31</b> Target normal cost, adjusted, if applicable (see instructions).....                                                                                                        | <b>31</b>           | 0                  |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance | Installment        |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 0                   | 0                  |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   | 0                  |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... | <b>33</b>           |                    |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....                                                   | <b>34</b>           | 0                  |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance |
| <b>35</b> Balances used to offset funding requirement .....                                                                                                                          | 0                   | 0                  |
| <b>36</b> Additional cash requirement (item 34 minus item 35).....                                                                                                                   | <b>36</b>           | 0                  |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....                                                   | <b>37</b>           | 0                  |
| <b>38</b> Interest-adjusted excess contributions for current year (see instructions).....                                                                                            | <b>38</b>           | 0                  |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....                                                                       | <b>39</b>           | 0                  |
| <b>40</b> Unpaid minimum required contribution for all years .....                                                                                                                   | <b>40</b>           | 0                  |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
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| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>2009</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>This Form is Open to Public Inspection.</b> |
| For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009                                                                                                                                |                                                                                                                                                                                                                        |                                                |
| <b>A</b> Name of plan<br>THE HOME INSURANCE COMPANY RETIREMENT PLAN                                                                                                                                                       | <b>B</b> Three-digit plan number (PN) ▶                                                                                                                                                                                | 004                                            |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>ZURICH AMERICAN INSURANCE COMPANY                                                                                                                        | <b>D</b> Employer Identification Number (EIN)<br>36-4233459                                                                                                                                                            |                                                |

|               |                                                        |
|---------------|--------------------------------------------------------|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--------------------------------------------------------|

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)..... ☒ 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>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| GMO GLOBAL EQUITY ALLOCATION FUND                                                                                 |
| 04-3336401                                                                                                        |

|                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation |
| ARTIO INTERNATIONAL EQUITY II GROUP                                                                              |
| 20-4663328                                                                                                       |

|                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------|
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|                                                                                                                   |
| <b>(b)</b> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|                                                                                                                   |

(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)

TOWERS PERRIN

23-1159360

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 11                            | NONE                                                                                                     | 447004                                                                        | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

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

THE VANGUARD GROUP, INC.

23-2926795

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 27                            | NONE                                                                                                     | 106627                                                                        | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

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

ARTIO GLOBAL MANAGEMENT

43-2047412

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 27                            | NONE                                                                                                     | 118960                                                                        | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

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

JACOBS LEVY EQUITY MANAGEMENT

22-2774695

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 27                     | NONE                                                                                              | 77225                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

ZURICH AMERICAN INSURANCE COMPANY

36-4233459

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 10 14 99               | EMPLOYER                                                                                          | 62619                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

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

DEUTSCHE MORGAN

13-3466755

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>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)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 27                     | NONE                                                                                              | 18698                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                  | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**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<br>(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<br>(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<br>(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)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN;       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN;       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:



**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  
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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**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**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

|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                      |                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br>Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | <b>Financial Information</b><br>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).<br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110                             |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                      | <b>2009</b>                                   |
|                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                      | <b>This Form is Open to Public Inspection</b> |

|                                                                                                           |                                                                          |            |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|------------|
| For calendar plan year 2009 or fiscal plan year beginning <u>01/01/2009</u> and ending <u>12/31/2009</u>  |                                                                          |            |
| <b>A</b> Name of plan<br><u>THE HOME INSURANCE COMPANY RETIREMENT PLAN</u>                                | <b>B</b> Three-digit plan number (PN) <span style="float:right">►</span> | <u>004</u> |
|                                                                                                           |                                                                          |            |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>ZURICH AMERICAN INSURANCE COMPANY</u> | <b>D</b> Employer Identification Number (EIN)<br><u>36-4233459</u>       |            |

| Part I Asset and Liability Statement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                 |                       |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> 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 |
| <b>a</b> Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1a</b>       |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                       |                 |
| <b>(1)</b> Employer contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1b(1)</b>    |                       |                 |
| <b>(2)</b> Participant contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1b(2)</b>    |                       |                 |
| <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1b(3)</b>    | <u>2404484</u>        | <u>4370954</u>  |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(1)</b>    |                       |                 |
| <b>(2)</b> U.S. Government securities.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(2)</b>    | <u>69591496</u>       | <u>56629949</u> |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b> | <u>36496058</u>       | <u>41226036</u> |
| <b>(B)</b> All other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>1c(3)(B)</b> | <u>6879897</u>        | <u>8520024</u>  |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>1c(8)</b>    |                       |                 |
| <b>(9)</b> Value of interest in common/collective trusts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1c(9)</b>    | <u>2781151</u>        | <u>858082</u>   |
| <b>(10)</b> Value of interest in pooled separate accounts.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(11)</b>   | <u>33390002</u>       | <u>37350332</u> |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(13)</b>   |                       |                 |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>   |                       |                 |
| <b>(15)</b> Other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(15)</b>   |                       |                 |

**1d** Employer-related investments:

|                                                                      |       | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|-------|-----------------------|-----------------|
| (1) Employer securities .....                                        | 1d(1) |                       |                 |
| (2) Employer real property .....                                     | 1d(2) |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | 1e    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | 1f    | 151543088             | 148955377       |

**Liabilities**

|                                                                           |    |        |        |
|---------------------------------------------------------------------------|----|--------|--------|
| <b>g</b> Benefit claims payable .....                                     | 1g |        |        |
| <b>h</b> Operating payables .....                                         | 1h | 104267 | 195959 |
| <b>i</b> Acquisition indebtedness .....                                   | 1i |        |        |
| <b>j</b> Other liabilities .....                                          | 1j |        |        |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | 1k | 104267 | 195959 |

**Net Assets**

|                                                           |    |           |           |
|-----------------------------------------------------------|----|-----------|-----------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | 1l | 151438821 | 148759418 |
|-----------------------------------------------------------|----|-----------|-----------|

**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 Contributions:**

|                                                                                                            |          | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------------------|----------|------------|-----------|
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | 2a(1)(A) |            |           |
| <b>(B)</b> Participants .....                                                                              | 2a(1)(B) |            |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | 2a(1)(C) |            |           |
| (2) Noncash contributions .....                                                                            | 2a(2)    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | 2a(3)    |            | 0         |

**b Earnings on investments:****(1) Interest:**

|                                                                                                      |          |         |         |
|------------------------------------------------------------------------------------------------------|----------|---------|---------|
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) ..... | 2b(1)(A) |         |         |
| <b>(B)</b> U.S. Government securities .....                                                          | 2b(1)(B) | 3181218 |         |
| <b>(C)</b> Corporate debt instruments .....                                                          | 2b(1)(C) | 2762701 |         |
| <b>(D)</b> Loans (other than to participants) .....                                                  | 2b(1)(D) |         |         |
| <b>(E)</b> Participant loans .....                                                                   | 2b(1)(E) |         |         |
| <b>(F)</b> Other .....                                                                               | 2b(1)(F) |         |         |
| <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                        | 2b(1)(G) |         | 5943919 |

|                                                                                           |          |  |   |
|-------------------------------------------------------------------------------------------|----------|--|---|
| (2) Dividends: <b>(A)</b> Preferred stock .....                                           | 2b(2)(A) |  |   |
| <b>(B)</b> Common stock .....                                                             | 2b(2)(B) |  |   |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                 | 2b(2)(C) |  |   |
| <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> ..... | 2b(2)(D) |  | 0 |

|                 |       |  |  |
|-----------------|-------|--|--|
| (3) Rents ..... | 2b(3) |  |  |
|-----------------|-------|--|--|

|                                                                                           |          |          |         |
|-------------------------------------------------------------------------------------------|----------|----------|---------|
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                | 2b(4)(A) | 17165679 |         |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                             | 2b(4)(B) | 17908474 |         |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result ..... | 2b(4)(C) |          | -742795 |

|                                                                                                   |          | (a) Amount | (b) Total |
|---------------------------------------------------------------------------------------------------|----------|------------|-----------|
| <b>2b</b> (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....              | 2b(5)(A) |            |           |
| (B) Other .....                                                                                   | 2b(5)(B) | -5288449   |           |
| (C) Total unrealized appreciation of assets.<br>Add lines 2b(5)(A) and (B).....                   | 2b(5)(C) |            | -5288449  |
| (6) Net investment gain (loss) from common/collective trusts .....                                | 2b(6)    |            | 6796      |
| (7) Net investment gain (loss) from pooled separate accounts .....                                | 2b(7)    |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                        | 2b(8)    |            | 7020670   |
| (9) Net investment gain (loss) from 103-12 investment entities .....                              | 2b(9)    |            |           |
| (10) Net investment gain (loss) from registered investment<br>companies (e.g., mutual funds)..... | 2b(10)   |            |           |
| <b>c</b> Other income.....                                                                        | 2c       |            |           |
| <b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....           | 2d       |            | 6940141   |

**Expenses**

|                                                                                            |       |         |         |
|--------------------------------------------------------------------------------------------|-------|---------|---------|
| <b>e</b> Benefit payment and payments to provide benefits:                                 |       |         |         |
| (1) Directly to participants or beneficiaries, including direct rollovers .....            | 2e(1) | 8521643 |         |
| (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) |         | 8521643 |
| <b>f</b> Corrective distributions (see instructions) .....                                 | 2f    |         |         |
| <b>g</b> Certain deemed distributions of participant loans (see instructions).....         | 2g    |         |         |
| <b>h</b> Interest expense.....                                                             | 2h    |         |         |
| <b>i</b> Administrative expenses: (1) Professional fees .....                              | 2i(1) | 630066  |         |
| (2) Contract administrator fees .....                                                      | 2i(2) |         |         |
| (3) Investment advisory and management fees .....                                          | 2i(3) | 252149  |         |
| (4) Other .....                                                                            | 2i(4) | 215686  |         |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                        | 2i(5) |         | 1097901 |
| <b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total..... | 2j    |         | 9619544 |

**Net Income and Reconciliation**

|                                                                |       |  |          |
|----------------------------------------------------------------|-------|--|----------|
| <b>k</b> Net income (loss). Subtract line 2j from line 2d..... | 2k    |  | -2679403 |
| <b>l</b> 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) ☐ 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 ☐ No

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

(1) Name: PRICEWATERHOUSECOOPERS

(2) EIN: 13-4008324

**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   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----------|
| <b>a</b> 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.).....                 |     | X  |          |
| <b>b</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.)..... |     | X  |          |
| <b>c</b> 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.) .....                                                                                                                            |     | X  |          |
| <b>d</b> 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.).....                                                                                                                  |     | X  |          |
| <b>e</b> Was this plan covered by a fidelity bond?.....                                                                                                                                                                                                                                                         | X   |    | 15000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                                                                                         |     | X  |          |
| <b>g</b> 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? .....                                                                                                                                      |     | X  |          |
| <b>h</b> 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? .....                                                                                                                            |     | X  |          |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....                                                                                                                                                   | X   |    |          |
| <b>j</b> 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.).....                                                                                    | X   |    |          |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....                                                                                                                                              |     | X  |          |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                                                                                              |     | X  |          |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....                                                                                                                                                                                     |     |    |          |
| <b>n</b> 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. ....                                                                                                                        |     |    |          |

- 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)

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

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>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).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            | <b>2009</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                            | <b>This Form is Open to Public Inspection.</b> |

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

|                                                                                                           |                                                                    |
|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>THE HOME INSURANCE COMPANY RETIREMENT PLAN</u>                                | <b>B</b> Three-digit plan number (PN) ▶<br><u>004</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>ZURICH AMERICAN INSURANCE COMPANY</u> | <b>D</b> Employer Identification Number (EIN)<br><u>36-4233459</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

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

|                                                                                                                                                                                                                                                                    |          |          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....                                                                                                                              | <b>1</b> | <u>0</u> |
| <b>2</b> 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):<br><br>EIN(s): <u>36-1561860</u> |          |          |
| <b>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</b>                                                                                                                                                                                            |          |          |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....                                                                                                                                    | <b>3</b> | <u>0</u> |

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

|                                                                                                                                                                                                                                                                                                                                                                           |                              |                                        |                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------|-----------------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....                                                                                                                                                                                                                                                       | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | <input type="checkbox"/> N/A            |
| <b>If the plan is a defined benefit plan, go to line 8.</b>                                                                                                                                                                                                                                                                                                               |                              |                                        |                                         |
| <b>5</b> 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. <b>Date:</b> Month _____ Day _____ Year _____<br><b>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</b> |                              |                                        |                                         |
| <b>6 a</b> Enter the minimum required contribution for this plan year .....                                                                                                                                                                                                                                                                                               | <b>6a</b>                    |                                        |                                         |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                                | <b>6b</b>                    |                                        |                                         |
| <b>c</b> 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).....                                                                                                                                                                                                                           | <b>6c</b>                    |                                        |                                         |
| <b>If you completed line 6c, skip lines 8 and 9.</b>                                                                                                                                                                                                                                                                                                                      |                              |                                        |                                         |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No            | <input type="checkbox"/> N/A            |
| <b>8</b> 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?.....                                                                                                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No            | <input checked="" type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                                |                                   |                                   |                               |                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|
| <b>9</b> 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..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input checked="" type="checkbox"/> No |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (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. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                              |                              |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....                                                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</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.) ..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2009  
v.092308.1

**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): \_\_\_\_\_

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

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 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:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

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

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</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 ..... | <b>16b</b> |  |

- 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: 17% Investment-Grade Debt: 83% 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): \_\_\_\_\_

PricewaterhouseCoopers LLP  
One North Wacker  
Chicago IL 60606  
Telephone (312) 298 2000  
Facsimile (312) 298 2001

## Report of Independent Auditors

To the Participants and Plan Administrator of  
The Home Insurance Company Retirement Plan

We were engaged to audit the financial statements of The Home Insurance Company Retirement Plan (the "Plan") at December 31, 2009 and 2008, and for the years then ended, and the supplemental schedules as of and for the year ended December 31, 2009, as listed in the accompanying index. These financial statements and schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by The Northern Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2009 and 2008 and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

*PricewaterhouseCoopers LLP*

Chicago, Illinois  
October 1, 2010

**SCHEDULE SB, LINE 22 -- Description of Weighted Average Retirement Age**

**The Home Insurance Company Retirement Plan**

EIN: 36-4233459

Plan Number: 004

| Age                             | Retirement Rate | Assumed Number Eligible | Assumed Number Retiring | Age X Number Retiring |
|---------------------------------|-----------------|-------------------------|-------------------------|-----------------------|
| 55                              | 2.5%            | 1000                    | 25                      | 1375                  |
| 56                              | 4.0%            | 975                     | 39                      | 2184                  |
| 57                              | 6.0%            | 936                     | 56                      | 3201                  |
| 58                              | 8.0%            | 880                     | 70                      | 4082                  |
| 59                              | 8.0%            | 809                     | 65                      | 3821                  |
| 60                              | 20.0%           | 745                     | 149                     | 8936                  |
| 61                              | 25.0%           | 596                     | 149                     | 9085                  |
| 62                              | 35.0%           | 447                     | 156                     | 9696                  |
| 63                              | 20.0%           | 290                     | 58                      | 3659                  |
| 64                              | 20.0%           | 232                     | 46                      | 2974                  |
| 65                              | 100.0%          | 186                     | 186                     | 12082                 |
|                                 |                 |                         | 1000                    | 61096                 |
|                                 |                 |                         |                         | <u>÷1000</u>          |
|                                 |                 |                         |                         | 61                    |
| Weighted Average Retirement Age |                 |                         |                         |                       |

**SCHEDULE SB, LINE 24 -- Change in Actuarial Assumptions**

**The Home Insurance Company Retirement Plan**

EIN: 36-4233459

Plan Number: 004

The non-prescribed actuarial assumptions were reviewed and modified to reflect the enrolled actuary's best estimate of future plan experience. As a result, the following changes were made:

| Aspect of the Valuation                               | Old                                                                                               | New                                                                                       |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| 417(e) interest rate assumption for lump sum payments | IRS prescribed segment rates without 3-year transition, based on bond yields through January 2008 | IRS prescribed full corporate bond yield curve, based on bond yields through October 2008 |

**SCHEDULE SB, LINE 25 -- Change in Method****The Home Insurance Company Retirement Plan**

EIN: 36-4233459

Plan Number: 004

| <b>Aspect of the Valuation</b> | <b>Old</b>                                                                                        | <b>New</b>                                                                                                                                                                                                                                                        |
|--------------------------------|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial Value of Assets      | Fair Market Value                                                                                 | Average of market values (adjusted for contributions, benefit/expense payments, and expected investment returns) as of valuation date and prior two valuation dates. The average asset value must be within 10% of fair value including contributions receivable. |
| Funding Interest Rate          | IRS prescribed segment rates without 3-year transition, based on bond yields through January 2008 | IRS prescribed full corporate bond yield curve, based on bond yields through October 2008                                                                                                                                                                         |
| Assumed plan-related expenses  | None                                                                                              | \$130,000                                                                                                                                                                                                                                                         |

The valuation software used to produce the actuarial information submitted on this schedule has been refined to reflect evolving understanding of PPA requirements, and such modifications may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

**Schedule SB, Line 26 — Schedule of Active Participant Data**  
**The Home Insurance Company Retirement Plan**  
**EIN 36-4233459 / PN 004**

**Analysis of Active Participant Data by Age and Service - Total**

Years of Credited Service

| Age Nearest<br>Birthday | 0 to 4 | 5 to 9 | 10 to 14 | 15 to 19 | 20 to 24 | 25 to 29 | 30 to 34 | Over 34 | Total |
|-------------------------|--------|--------|----------|----------|----------|----------|----------|---------|-------|
| 15 to 24                | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 0       | 0     |
| 25 to 29                | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 0       | 0     |
| 30 to 34                | 0      | 0      | 0        | 0        | 0        | 0        | 0        | 0       | 0     |
| 35 to 39                | 0      | 0      | 0        | 2        | 1        | 0        | 0        | 0       | 3     |
| 40 to 44                | 0      | 0      | 1        | 3        | 3        | 0        | 0        | 0       | 7     |
| 45 to 49                | 0      | 0      | 1        | 8        | 9        | 4        | 0        | 0       | 22    |
| 50 to 54                | 0      | 0      | 2        | 14       | 10       | 6        | 4        | 3       | 39    |
| 55 to 59                | 0      | 0      | 0        | 14       | 15       | 12       | 9        | 2       | 52    |
| 60 to 64                | 0      | 0      | 0        | 5        | 12       | 3        | 2        | 4       | 26    |
| 65 to 69                | 0      | 0      | 1        | 2        | 0        | 3        | 0        | 2       | 8     |
| Over 69                 | 0      | 0      | 0        | 1        | 0        | 0        | 0        | 0       | 1     |
| Total                   | 0      | 0      | 5        | 49       | 50       | 28       | 15       | 11      | 158   |

Average Age = 54.9

Average Service = 23.4

## Summary of Plan Provisions

|                           |                                                                                                                                                                                                                                                                                                                                            |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Effective Date</b>     | February 14, 1991, amended effective December 31, 1995.                                                                                                                                                                                                                                                                                    |
| <b>Covered Employees</b>  | All employees of Risk Enterprise Management, who were also former employees of The Home Insurance Company.                                                                                                                                                                                                                                 |
| <b>Participation Date</b> | First of the month coincident with or following the date of becoming age 21 and attaining 1 year of service. If employed before January 1, 1976, earliest of age 30, 3 years of service, or age 21 and 1 year of service.                                                                                                                  |
| <b>Definitions</b>        |                                                                                                                                                                                                                                                                                                                                            |
| Vesting service           | One year for each 1,000-hour calendar year of employment.                                                                                                                                                                                                                                                                                  |
| Credited service          | Years and pro rata portion of years as a Participant (age 21 and 1 year or was a Participant in the Prior Plan), for service after January, 1985 (but not later than December 31, 1995), not to exceed 30 years. For current and former Sterling Forest employees, pension service begins January 1, 1986 (and ends on December 31, 1995). |
| Pensionable pay           | Base pay plus bonus, overtime and tips after January 1, 1989 (but not later than December 31, 1995), base pay previously.                                                                                                                                                                                                                  |
| Average earnings          | The average of the highest five calendar years of pensionable pay during the ten-year period ending on the earlier of the participant's termination date, retirement date, or December 31, 1995.                                                                                                                                           |
| Covered compensation      | The average of the Social Security wage bases for the 35 years before a participant becomes eligible for unreduced Social Security benefits defined in 401(l)(5)(E) of the Internal Revenue Code.                                                                                                                                          |
| New plan formula          | The sum of (1) and (2):<br>(1) 1.6% of average earnings times pension service.<br>(2) 0.4% of average earnings in excess of covered compensation times pension service.                                                                                                                                                                    |
| Prior plan benefit        | The sum of (1) and (2), and reduced by (3):<br>(1) 2.0% of average earnings times pension service up to 25 years.<br>(2) 1.0% of average earnings times pension service in excess of 25 years.<br>(3) 1.5% of Social Security Primary Insurance Amount times pension service up to 33 1/3 years.                                           |
| Minimum benefit           | The prior plan formula, with 1.8% substituted for 2.0% for all service to 12/31/88 (including pre 1985 service), offset by the participant's 12/31/84 purchased accrued benefit. Participants of the Sterling Forest                                                                                                                       |

|                                      |                                                                                                                                                                                                                                          |
|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                      | plan as of January 1, 1986 are ineligible for the minimum benefit.                                                                                                                                                                       |
| Normal retirement date (NRD)         | First of month coinciding with or next following the attainment of age 65.                                                                                                                                                               |
| Monthly pension benefit*             | As of any date, one-twelfth of the larger of (1) and (2):<br><br>(1) The new plan formula for all service.<br><br>(2) The prior plan accrued benefit to December 31, 1988, plus the new formula for future service from January 1, 1989. |
|                                      | * Plan benefits were "frozen" as of December 31, 1995.                                                                                                                                                                                   |
| Monthly preretirement spouse benefit | 50% of the post-12/31/88 accrued benefit adjusted by the appropriate Joint and Survivor factor and early retirement factor plus 50% of the prior plan accrued benefit adjusted by the appropriate early retirement factor as well.       |

### **Eligibility for Benefits**

|                               |                                                                                                                   |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------|
| Normal retirement             | Retire on NRD.                                                                                                    |
| Early retirement              | Retire on or after attaining age 55 and completing 10 years of vesting service, but before NRD.                   |
| Postponed retirement          | Retire after NRD.                                                                                                 |
| Deferred vested               | Terminate for reasons other than death or retirement after completing five years of vesting service.              |
| Disability                    | Eligible to receive Social Security disability benefits, or receives committee approval of disability.            |
| Preretirement spouse benefits | Die while eligible for deferred vested, early, normal, or postponed retirement benefits, with a surviving spouse. |

### **Monthly Benefits Paid Upon the Following Events**

|                                          |                                                                                                                                                                                                                                                                                   |
|------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Normal retirement                        | Monthly pension benefit determined as of NRD.                                                                                                                                                                                                                                     |
| Early retirement                         | Monthly pension benefit determined as of early retirement date, with a reduction of .25% for each month that commencement of payment precedes age 60 for prior plan benefit, and a reduction of .25% per month that commencement of payment precedes age 65 for new plan benefit. |
| Postponed retirement                     | Monthly pension benefit determined as of actual retirement date.                                                                                                                                                                                                                  |
| Termination with deferred vested benefit | Monthly pension determined as of termination date; reduction of .25% for each month that commencement of payments precedes age 60 for prior plan benefit; reduction of .25% per month that commencement of payment precedes age 65 for new plan benefit.                          |
| Disability                               | Monthly pension benefit accrues to NRD.                                                                                                                                                                                                                                           |

|                                         |                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Death with preretirement spouse benefit | Monthly preretirement spouse benefit reduced by .25% per month for each month by which the employee's age exceeds the spouse's age by more than five years.                                                                                                                                                                                                              |
| Normal form of payment                  | <ul style="list-style-type: none"><li>- Life annuity</li><li>- 50% joint and survivor annuity - equal to a life annuity reduced to 92%</li><li>- 10 year certain and life annuity - converting using 7% interest rate and TPFC1971Unisex mortality table</li><li>- 10 year certain only - converting using 7% interest rate and TPFC1971Unisex mortality table</li></ul> |
| Automatic form of payment               | If married at retirement, actuarial equivalent 50% joint and survivor benefit; otherwise, life annuity.                                                                                                                                                                                                                                                                  |
| Maximum on benefits and pay             | All benefits and pay for determining benefits for any calendar year may not exceed the limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.                                                                                                             |

**Plan Provisions Effective After January 1, 2009**

No future plan provisions were recognized in determining pension cost or in determining minimum and maximum contributions.

**Changes in Plan Provisions Since Prior Year**

There were no changes in plan provisions since the prior year.

## Statement of Actuarial Assumptions/Methods

### Economic Assumptions

Interest rate basis:

|                                           |                  |
|-------------------------------------------|------------------|
| ▶ Applicable month                        | October 2008     |
| ▶ Yield curve basis                       | Full Yield Curve |
| ▶ Transition from current liability rates | No               |
| ▶ Effective interest rate                 | 8.20%            |

Annual rates of increase

|                                                 |     |
|-------------------------------------------------|-----|
| ▶ Salaries:                                     | 0%  |
| ▶ Future Social Security wage bases             | 0%  |
| ▶ Statutory limits on compensation and benefits | N/A |

### Demographic and Other Assumptions

Mortality IRS 2008 Proposed Generational Mortality

Termination Rates varying by age and service

Sample rates:

| Years of Service | Age<br>25 | Age<br>40 | Age<br>55 |
|------------------|-----------|-----------|-----------|
| < 1              | .594      | .284      | .250      |
| 7+               | .149      | .071      | .025      |

Disability Society of Actuaries '72-'79 study

Retirement Rates varying by age:

| Age   | Rate  |
|-------|-------|
| 55    | .025  |
| 56    | .040  |
| 57    | .060  |
| 58-59 | .080  |
| 60    | .200  |
| 61    | .250  |
| 62    | .350  |
| 63-64 | .200  |
| 65    | 1.000 |

Form of payment

Life annuity

Percentage married

Preretirement: 95% males; 75% females

Postretirement: 80% males; 45% females

Spouse ages

Wives 3 years younger than husbands

Administrative expense

The Target Normal Cost includes an expense load of \$130,000 expected to pay for administrative expenses.

### Methods

- ▶ Valuation date
- ▶ Funding target
- ▶ Target normal cost

First day of plan year

Present value of accrued benefits

Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year

- ▶ Actuarial value of assets

Average of market values (adjusted for contributions, benefit/expense payments, and expected investment returns) as of valuation date and prior two valuation dates

### Benefits Not Valued

All benefits described in the Plan Provisions section of this report were valued. Towers Watson has reviewed the plan provisions with Zurich North America and, based on that review, is not aware of any significant benefits required to be valued that were not.

### Assets and Pension Accruals

Towers Watson used asset data supplied by the trustee.

### Change in Assumptions and Methods Since Prior Valuation

The funding interest rate was changed from segment interest rates as of January 2008 to full yield curve yield curve based on bond yields during October 2008, as provided under the Pension Protection Act of 2006 (PPA).

The annual rates of increase for salary and social security wage bases were revised for consistency with Pension Cost assumptions.

The actuarial value of assets was changed to be equal to the Average of market values as of valuation date and prior two valuation dates from a fair market value of assets.

**Data Sources**

Towers Watson used asset data supplied by the trustee. Zurich North America, through its third party administrator, furnished participant data as of the valuation date. Zurich North America also provided the dates and amounts of the 2008 contributions that will be paid in 2009, the postretirement benefit asset, postretirement benefit liability and amounts recognized in accumulated other comprehensive income as of December 31, 2008. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

**SCHEDULE SB  
(Form 5500)**Department of the Treasury  
Internal Revenue ServiceDepartment of Labor  
Employee Benefits Security Administration  
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan  
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

File as an attachment to Form 5500 or 5500-SF.

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

Round off amounts to nearest dollar.

Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

**A** Name of plan

The Home Insurance Company Retirement Plan

**B** Three-digit  
plan number (PN)

004

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF

Zurich American Insurance Company

**D** Employer Identification Number (EIN)

36-4233459

**E** Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B**F** Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500**Part I Basic Information****1** Enter the valuation date: Month 1 Day 1 Year 2009**2** Assets:**a** Market value..... **2a** 150,807,947**b** Actuarial value..... **2b** 161,032,124**3** Funding target/participant count breakdown

(1) Number of participants

(2) Funding Target

**a** For retired participants and beneficiaries receiving payment..... **3a** 1,766 66,736,631**b** For terminated vested participants..... **3b** 2,216 62,236,803**c** For active participants:(1) Non-vested benefits..... **3c(1)** 280,960(2) Vested benefits..... **3c(2)** 5,237,903(3) Total active..... **3c(3)** 158 5,518,863**d** Total..... **3d** 4,140 134,492,297**4** If the plan is at-risk, check the box and complete items (a) and (b) ☐**a** Funding target disregarding prescribed at-risk assumptions..... **4a****b** Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor..... **4b****5** Effective interest rate..... **5** 8.20 %**6** Target normal cost..... **6** 130,000**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN  
HERE**JIM DERENGOWSKI *ghe*

10/04/2010

Signature of actuary

Date

James M. Derengowski, A.S.A., E.A.

08-06555

Type or print name of actuary

Most recent enrollment number

Towers Watson

(312) 525-2461

191 North Wacker Drive ? Suite 2100 *Firm name*

Telephone number (including area code)

Chicago

IL 60606-1615

Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2009  
v.092308.1

**Part II Beginning of year carryover and prefunding balances**

|                                                                                                          | (a) Carryover balance | (b) Prefunding balance |
|----------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (Item 13 from prior year) ..... | 215,000               | 0                      |
| <b>8</b> Portion used to offset prior year's funding requirement (Item 35 from prior year) .....         | 0                     | 0                      |
| <b>9</b> Amount remaining (Item 7 minus item 8) .....                                                    | 215,000               | 0                      |
| <b>10</b> Interest on item 9 using prior year's actual return of <u>(3.63) %</u> .....                   | (7,805)               |                        |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                           |                       |                        |
| <b>a</b> Excess contributions (Item 38 from prior year) .....                                            |                       | 0                      |
| <b>b</b> Interest on (a) using prior year's effective rate of <u>6.05 %</u> .....                        |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....            |                       | 0                      |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                          |                       | 0                      |
| <b>12</b> Reduction in balances due to elections or deemed elections .....                               | 0                     | 0                      |
| <b>13</b> Balance at beginning of current year (Item 9 + item 10 + item 11d - item 12) .....             | 207,195               | 0                      |

**Part III Funding percentages**

|                                                                                                                                                                            |           |          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 119.58 % |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 119.73 % |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 100.83 % |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | <b>17</b> | %        |

**Part IV Contributions and liquidity shortfalls**

| <b>18</b> Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                 |                          |                                   |                                 |
|------------------------------------------------------------------------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| (a) Date<br>(MM-DD-YYYY)                                                                 | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|                                                                                          |                                   |                                 |                          |                                   |                                 |
|                                                                                          |                                   |                                 |                          |                                   |                                 |
|                                                                                          |                                   |                                 |                          |                                   |                                 |
|                                                                                          |                                   |                                 |                          |                                   |                                 |
|                                                                                          |                                   |                                 |                          |                                   |                                 |
|                                                                                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ▶</b>                                                                          |                                   |                                 | <b>18(b)</b>             | 0                                 | <b>18(c)</b> 0                  |

|                                                                                                                                      |              |
|--------------------------------------------------------------------------------------------------------------------------------------|--------------|
| <b>19</b> Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year: |              |
| <b>a</b> Contributions allocated toward unpaid minimum required contribution from prior years .....                                  | <b>19a</b> 0 |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                                   | <b>19b</b> 0 |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....              | <b>19c</b> 0 |

|                                                                                                                    |                                                                     |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>20</b> Quarterly contributions and liquidity shortfalls:                                                        |                                                                     |
| <b>a</b> Did the plan have a "funding shortfall" for the prior year? .....                                         | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>b</b> If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ..... | <input type="checkbox"/> Yes <input type="checkbox"/> No            |
| <b>c</b> If 20a is "Yes," see instructions and complete the following table as applicable:                         |                                                                     |

Liquidity shortfall as of end of Quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---------|---------|---------|---------|
|         |         |         |         |

**Part V Assumptions used to determine funding target and target normal cost**

|                                                                                                                                                                                              |                   |                   |                   |                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|----------------------------------------------------------------|
| <b>21</b> Discount rate:                                                                                                                                                                     |                   |                   |                   |                                                                |
| <b>a</b> Segment rates:                                                                                                                                                                      | 1st segment:<br>% | 2nd segment:<br>% | 3rd segment:<br>% | <input checked="" type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code) .....                                                                                                                                                 | <b>21b</b>        |                   |                   | 3                                                              |
| <b>22</b> Weighted average retirement age .....                                                                                                                                              | <b>22</b>         |                   |                   | 61                                                             |
| <b>23</b> Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute |                   |                   |                   |                                                                |

**Part VI Miscellaneous items**

|                                                                                                                                                                        |                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....                                      | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ....                            | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment. ....                  | <b>27</b>                                                           |

**Part VII Reconciliation of unpaid minimum required contributions for prior years**

|                                                                                                                                      |           |   |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contribution for all prior years .....                                                             | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a) ..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (item 28 minus item 29) .....                                    | <b>30</b> | 0 |

**Part VIII Minimum required contribution for current year**

|                                                                                                                                                                                      |                     |                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|
| <b>31</b> Target normal cost, adjusted, if applicable (see instructions) .....                                                                                                       | <b>31</b>           | 0                  |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance | Installment        |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 0                   | 0                  |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   | 0                  |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... | <b>33</b>           |                    |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33) .....                                                  | <b>34</b>           | 0                  |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance |
| <b>35</b> Balances used to offset funding requirement .....                                                                                                                          | 0                   | 0                  |
| <b>36</b> Additional cash requirement (item 34 minus item 35) .....                                                                                                                  | <b>36</b>           | 0                  |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c) .....                                                  | <b>37</b>           | 0                  |
| <b>38</b> Interest-adjusted excess contributions for current year (see instructions) .....                                                                                           | <b>38</b>           | 0                  |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37) .....                                                                      | <b>39</b>           | 0                  |
| <b>40</b> Unpaid minimum required contribution for all years .....                                                                                                                   | <b>40</b>           | 0                  |

**The Home Insurance Company**  
**Retirement Plan**  
**Financial Statements and Supplemental Schedules**  
**December 31, 2009 and 2008**

**The Home Insurance Company Retirement Plan**  
**Index**  
**December 31, 2009 and 2008**

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Page(s)

**Report of Independent Auditors**

1

**Financial Statements**

Statements of Net Assets Available for Benefits at December 31, 2009 and 2008

2

Statements of Changes in Net Assets Available for Benefits for the Years Ended  
December 31, 2009 and 2008

3

Statement of Accumulated Plan Benefits at January 1, 2009

4

Statement of Changes in Accumulated Plan Benefits for the Year Ended January 1, 2009

5

Notes to Financial Statements

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**Supplemental Schedules**

Schedule I: Schedule of Assets (Held at End of Year) at December 31, 2009  
per Schedule H, Line 4i of Form 5500

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Schedule II: Schedule of Reportable Transactions for the Year Ended December 31, 2009  
per Schedule H, Line 4j of Form 5500

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**Note:** All other schedules of additional information required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted as they are not applicable.

## Report of Independent Auditors

To the Participants and Plan Administrator of  
The Home Insurance Company Retirement Plan

We were engaged to audit the financial statements of The Home Insurance Company Retirement Plan (the "Plan") at December 31, 2009 and 2008, and for the years then ended, and the supplemental schedules as of and for the year ended December 31, 2009, as listed in the accompanying index. These financial statements and schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by The Northern Trust Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedules. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2009 and 2008 and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedules taken as a whole. The form and content of the information included in the financial statements and schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

*PricewaterhouseCoopers LLP*

Chicago, Illinois  
October 1, 2010

**The Home Insurance Company Retirement Plan**  
**Statements of Net Assets Available for Benefits**  
**December 31, 2009 and 2008**

|                                                                    | <b>2009</b>           | <b>2008</b>           |
|--------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Assets</b>                                                      |                       |                       |
| <b>Investments:</b>                                                |                       |                       |
| Investments, at fair value                                         |                       |                       |
| Plan interest in Zurich American Insurance Company                 |                       |                       |
| Master Retirement Trust                                            | \$ 37,350,332         | \$ 33,390,002         |
| U.S. government and agency securities                              | 56,629,949            | 69,591,496            |
| Corporate bonds and obligations                                    | 49,746,060            | 43,375,955            |
| Short term investments                                             | 858,082               | 2,781,151             |
|                                                                    | <u>144,584,423</u>    | <u>149,138,604</u>    |
| Receivables                                                        |                       |                       |
| Accrued interest and dividends                                     | 1,537,056             | 1,669,342             |
| Due from Zurich American Insurance Company Retirement Account Plan | 2,833,898             | 735,142               |
| Total receivables                                                  | <u>4,370,954</u>      | <u>2,404,484</u>      |
| Total Assets                                                       | 148,955,377           | 151,543,088           |
| <b>Liabilities</b>                                                 |                       |                       |
| Accrued expenses                                                   | 195,959               | 104,267               |
| Total Liabilities                                                  | <u>195,959</u>        | <u>104,267</u>        |
| <b>Net assets available for benefits</b>                           | <u>\$ 148,759,418</u> | <u>\$ 151,438,821</u> |

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

**The Home Insurance Company Retirement Plan**  
**Statements of Changes in Net Assets Available for Benefits**  
**Years Ended December 31, 2009 and 2008**

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|                                                                                                      | <u>2009</u>           | <u>2008</u>           |
|------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| <b>Additions</b>                                                                                     |                       |                       |
| Net depreciation/appreciation in fair value of investments                                           | \$ (6,031,244)        | \$ 5,145,643          |
| Investment income                                                                                    | 5,950,715             | 5,766,772             |
| Plan interest in net investment results of Zurich American Insurance Company Master Retirement Trust | 7,020,670             | (15,968,738)          |
| Total additions                                                                                      | <u>6,940,141</u>      | <u>(5,056,323)</u>    |
| <b>Deductions</b>                                                                                    |                       |                       |
| Benefits paid                                                                                        | 8,521,643             | 7,992,179             |
| Administrative expenses                                                                              | 1,097,901             | 509,594               |
| Total deductions                                                                                     | <u>9,619,544</u>      | <u>8,501,773</u>      |
| Net increase/(decrease)                                                                              | (2,679,403)           | (13,558,096)          |
| <b>Net assets available for benefits</b>                                                             |                       |                       |
| Beginning of year                                                                                    | 151,438,821           | 164,996,917           |
| End of year                                                                                          | <u>\$ 148,759,418</u> | <u>\$ 151,438,821</u> |

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

**The Home Insurance Company Retirement Plan**  
**Statement of Accumulated Plan Benefits**  
**January 1, 2009**

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|                                                                       | <u>2009</u>           |
|-----------------------------------------------------------------------|-----------------------|
| <b>Actuarial present value of accumulated plan benefits</b>           |                       |
| Vested benefits                                                       |                       |
| For retired and terminated employees/beneficiaries receiving benefits | \$ 73,768,429         |
| For actives and terminated employees not presently receiving benefits | <u>78,689,016</u>     |
| Total vested benefits                                                 | 152,457,445           |
| Nonvested benefits                                                    | <u>326,590</u>        |
| Total                                                                 | <u>\$ 152,784,035</u> |

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

**The Home Insurance Company Retirement Plan**  
**Statement of Changes in Accumulated Plan Benefits**  
**Year Ended January 1, 2009**

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|                                                              | <u>2009</u>        |
|--------------------------------------------------------------|--------------------|
| <b>Actuarial present value of accumulated plan benefits</b>  |                    |
| <b>at January 1, 2008</b>                                    | \$ 150,212,518     |
| Increase (decrease) during the year attributable to          |                    |
| Actuarial experience (gain) loss                             | 418,891            |
| Increase for interest due to decrease in the discount period | 10,144,805         |
| Benefits paid to participants                                | <u>(7,992,179)</u> |
| <b>Actuarial present value of accumulated plan benefits</b>  |                    |
| <b>at January 1, 2009</b>                                    | <u>152,784,035</u> |

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

# The Home Insurance Company Retirement Plan

## Notes to Financial Statements

### December 31, 2009 and 2008

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#### 1. Description of the Plan

The following description of The Home Insurance Company Retirement Plan (the "Plan") is provided for general information purposes only. The Plan document should be referred to for more complete information.

##### **General**

The Plan is a defined benefit plan which covers all eligible U.S. employees of The Home Insurance Company (the "Home") and certain of its subsidiaries and Home Holdings Inc. The Plan was established in 1991 upon the sale of the Home by AmBase Corporation. The Risk Enterprise Management Limited Savings and Retirement Plans Administrative Committee was the Administrator of the Plan through September 30, 2003. Effective October 1, 2003, Zurich American Insurance Company (the "Plan Administrator") took over the role of plan administrator from Risk Enterprise Management.

The Plan had been sponsored by the Home but as a result of certain transactions, sponsorship was relinquished effective July 24, 1998 and Zurich American Insurance Company (the "Sponsor") assumed sponsorship. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

##### **Benefits**

The Plan was amended on December 11, 1995 to freeze participation in and future benefit accruals under the Plan, effective as of January 1, 1996, by: (1) ceasing participation in the Plan to newly eligible employees who, having completed the age and service requirements set forth in the Plan, would have entered the Plan on or after January 1, 1996; (2) ceasing the accrual of benefits for purposes of determining a participant's accrued benefit in the Plan as of January 1, 1996; and (3) ceasing consideration of earnings of a participant on and after January 1, 1996 for determining a participant's retirement income and/or accrued benefits. Employees become fully vested after five years of service, and are eligible for early retirement benefits after attaining the age of 55 with ten years of service.

Employees participating in the Plan prior to January 1, 1996 are eligible for retirement benefits when they reach their normal retirement date ("NRD"), defined as the first of the month coinciding with or next following the attainment of age 65. Such employees may be eligible for early retirement if they retire on or after attaining age 55 and completing ten years of service, but before NRD. The Plan also provides spousal death benefits for eligible employees.

Monthly retirement benefits are calculated as 1.6% of final average earnings times credited service up to 30 years plus 0.4% of final average earnings in excess of Social Security covered compensation times credited service up to 30 years, subject to minimum prior service benefits. Final average earnings are defined as the highest five years' earnings (base pay, bonus, overtime, and tips) in the ten-year period prior to January 1, 1996. Credited service is defined as all years of service earned after an employee becomes a participant in the Plan up to January 1, 1996.

##### **Contributions**

The Sponsor has agreed to make contributions sufficient to provide the Plan with assets with which to pay plan benefits. Contribution levels, computed using the projected unit credit method, are designed to fund (i) normal cost plus interest, and (ii) amounts required for amortization of the unfunded actuarial accrued liability, or the amount required to meet minimum funding requirements under ERISA.

For the years ended December 31, 2009 and 2008, no employer contributions were required in accordance with or under ERISA rules.

**The Home Insurance Company Retirement Plan**  
**Notes to Financial Statements**  
**Years Ended December 31, 2009 and 2008**

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**Plan Termination**

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide benefits in the following order: benefits participants have been receiving for at least three years (or that participants eligible to retire for that three-year period would have been receiving), vested benefits of other participants and nonvested benefits. Under provisions of ERISA, if the Plan is terminated, the Sponsor and participating employers may be obligated to make payments to the Pension Benefit Guaranty Corporation ("PBGC") and participants may be eligible for benefits under insurance provided by the PBGC. Certain vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. The amount of benefit protection guaranteed by the PBGC is subject to certain limitations.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements have been prepared on an accrual basis of accounting.

**Use of Estimates**

The preparation of the Plan's financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates and assumptions.

**Investments Valuation and Income Recognition**

Investments are stated at fair value. Investments traded on a national security exchange are valued at the last reported sales price on the last business day of the year; investments traded in the over-the-counter market and listed securities for which no sale was reported on the last day of the year, are valued at the average of the last reported bid and ask prices.

The Plan may enter into equity futures contracts as a means to replicate the performance of the broad stock market or to maintain allocations to equity securities at the appropriate target levels. Equity futures contracts are stated at market values determined by prices quoted on the futures exchange, with fluctuations in value recognized as realized gain or loss. Equity futures are exposed to investment risk that could result in a loss in the value of the futures contract. The futures contracts are executed on the futures exchange, which has strict margin requirements with daily cash collateral posting based on mark-to-market values of the futures contract, thereby mitigating credit risk associated with these contracts. The Plan did not hold any equity futures contracts at year end.

Corporate Bonds are valued at fair value. Fair value of these bonds is determined by the Trustee of the Plan, using information available from pricing sources. The pricing sources use proprietary models to arrive at an evaluated price for each security. These pricing models use matrix pricing to gather market information and derive a price based on similar securities. Standard inputs include, but are not limited to; spread benchmark curves (Treasury curves, LIBOR curves and swap curves), prepayment speeds, inputs to build interest rate curves/spreads to determine discount rates, financial statements of the issuer, etc. The inputs for the models are derived from the market, brokers, dealers, mutual funds, and other similar market participants. The evaluated price represents the bid side market value of an institutional

# **The Home Insurance Company Retirement Plan**

## **Notes to Financial Statements**

### **Years Ended December 31, 2009 and 2008**

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size block of a security. Certain corporate bonds are evaluated on a nominal spread of risk free curves (swaps or government bonds). Issues with embedded options are priced using an option adjusted spread (OAS) model. Issues are generally benchmarked off of U.S. treasuries or LIBOR.

Short-term investments are valued at cost, which approximates market value. Investments in registered investment companies are carried at fair value based on quoted market prices.

Common collective trusts are valued based on the net asset value from the information reported by the investment trustee using audited financial statements of the collective trust at year-end. There are no unfunded commitments with respect to this investment, however, they may be subject to redemption restrictions, at the trustee's discretion, to the extent that it is determined such actions would disrupt management of the fund.

The Plan presents in the Statements of Changes in Net Assets Available for Benefits, the net appreciation/depreciation in fair value of its investments which consists of the realized gains or losses and the unrealized appreciation/depreciation of those investments. The net realized gain or loss on investments is the difference between the proceeds received and the cost of the investments sold, determined on an average cost basis. Unrealized appreciation/depreciation in fair value of investments is the difference between fair value and the cost of investments.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis.

#### **Accumulated Plan Benefits**

Accumulated plan benefits (Note 3) are those estimated future payments, including lump-sum distributions, that are attributable under the Plan's provisions to services rendered by the employees to the date the Plan was frozen. Accumulated plan benefits include benefits expected to be paid to retired or terminated employees or their beneficiaries, beneficiaries of employees who have died, and present employees or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on plan provisions at the time of retirement.

Employer contributions and actuarial present value of accumulated plan benefits are based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

#### **Risks and Uncertainties**

Plan contributions and the actuarial present value of accumulated plan benefits are prepared based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, 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 the amounts reported in the statement of net assets available for benefits.

**The Home Insurance Company Retirement Plan**  
**Notes to Financial Statements**  
**Years Ended December 31, 2009 and 2008**

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**Administrative Expenses**

Investment manager fees to unaffiliated managers, administrative expenses and the Plan's actuarial fees are paid by the Plan.

**Payment of Benefits**

Benefit payments to participants are recorded upon distribution.

**3. Actuarial Present Value of Accumulated Plan Benefits**

Towers Perrin, independent consulting actuary, estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest), and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

Significant assumptions underlying the actuarial computations of the present value of accumulated plan benefits are as follows:

|                        |                                                       |
|------------------------|-------------------------------------------------------|
| Interest rate          | 6.90% for 2009 and 2008                               |
| Mortality basis        | IRS Proposed Generational Mortality for 2009 and 2008 |
| Assumed retirement age | Age 55 to 65 for 2009 and 2008                        |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

**4. Zurich American Insurance Company Pension Trusts**

The Sponsor established the Zurich American Insurance Company Retirement Trust (Retirement Trust) with three separate pension trusts, one each for cash, equity securities and fixed income securities, to implement the provisions of the Plan. Investments are made under the direction of the pension trust's investment managers based on investment guidelines provided by the Sponsor.

In addition to the Plan, the Sponsor also sponsors Zurich American Insurance Company Retirement Account Plan (the "Zurich Plan"). During 2008, the Sponsor established a master trust with two sub-accounts for its retirement plans. The two retirement plans have an undivided interest in each of the two sub-accounts, one sub-account comprised of equity securities and the other comprised of cash and short term investments. The value of the Plan's interest in each of the two sub-accounts is based on the value of the assets in the Trust at the beginning of the year, plus actual contributions to the Plan and allocated investment income less actual distributions and allocated administrative expenses. At December 31, 2009, the Plan's interest in the net assets of the equity securities sub-account was approximately 14.0%, while that in the net assets of the non-equity sub-account was approximately 87.3%. At December 31, 2008, the Plan's interest in the net assets of the equity securities sub-account was approximately 15.7%, while that in the net assets of the non-equity sub-account was approximately 56.0%.

**The Home Insurance Company Retirement Plan**  
**Notes to Financial Statements**  
**Years Ended December 31, 2009 and 2008**

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**5. Investment Information Certified by the Trustee**

The following investments and related data were derived from information certified as to completeness and accuracy by The Northern Trust Company, the trustee of the Plan, and were not subject to audit. Such information includes investments at fair value, investment income, accrued interest and dividends, net appreciation/depreciation in the fair value of investments and Plan interest in net investment results of Zurich American Insurance Company Master Retirement Trust as shown in the accompanying statements of net assets available for benefits and statements of changes in net assets available for benefits and supplemental schedules. The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Investments as of December 31 are as follows:

|                                                    | <u>2009</u>        | <u>2008</u>        |
|----------------------------------------------------|--------------------|--------------------|
| Investments, at fair value                         |                    |                    |
| Plan interest in Zurich American Insurance Company |                    |                    |
| Master Retirement Trust                            | \$ 37,350,332      | \$ 33,390,002      |
| U.S. government and agency securities              | 56,629,949         | 69,591,496         |
| Corporate bonds and obligations                    | 49,746,060         | 43,375,955         |
| Short term investments                             | 858,082            | 2,781,151          |
|                                                    | <u>144,584,423</u> | <u>149,138,604</u> |
| Accrued interest and dividends                     | 1,537,056          | 1,669,342          |

The fair values of individual investments that represent 5% or more of the Plan's net assets as of December 31, 2009 and 2008 are as follows:

|                                                     | <u>2009</u>  | <u>2008</u>   |
|-----------------------------------------------------|--------------|---------------|
| United States Treasury Note, 5.375%, due 02/15/2031 | \$ 8,619,000 | \$ 12,366,558 |
| United States Treasury Note, 6.250%, due 08/15/2023 | 13,018,688   | 14,866,575    |
| United States Treasury Note, 8.75%, due 08/15/2020  | 7,455,406    | 12,402,892    |
| United States Treasury Note, 7.250%, due 08/15/2022 | 8,712,029    | 9,777,517     |
| Plan interest in Zurich American Insurance Company  |              |               |
| Master Retirement Trust                             | 37,350,331   | 33,390,002    |

For the years ended December 31, 2009 and 2008, appreciation and depreciation in value (including gains and losses on investments bought, sold and held during the year) of the Plan's investments is as follows:

**The Home Insurance Company Retirement Plan**  
**Notes to Financial Statements**  
**Years Ended December 31, 2009 and 2008**

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|                                                    | <u>2009</u>       | <u>2008</u>            |
|----------------------------------------------------|-------------------|------------------------|
| Plan interest in Zurich American Insurance Company |                   |                        |
| Master Retirement Trust                            | \$ 6,624,008      | \$ (16,777,524)        |
| U.S. government and agency securities              | (8,527,942)       | 9,225,102              |
| Corporate bonds and obligations                    | 2,496,698         | (4,079,459)            |
| Net appreciation (depreciation)                    | <u>\$ 592,764</u> | <u>\$ (11,631,881)</u> |

Additionally, for the years ended December 31, 2009 and 2008, the Plan's investment income is as follows:

|                                                    | <u>2009</u>         | <u>2008</u>         |
|----------------------------------------------------|---------------------|---------------------|
| Plan interest in Zurich American Insurance Company |                     |                     |
| Master Retirement Trust                            | \$ 396,662          | \$ 808,786          |
| Interest                                           | 5,950,715           | 5,766,772           |
| Investment income                                  | <u>\$ 6,347,377</u> | <u>\$ 6,575,558</u> |

**The Home Insurance Company Retirement Plan**  
**Notes to Financial Statements**  
**Years Ended December 31, 2009 and 2008**

The following table presents the net assets of the Master Trust –

|                                                   | <b>2009</b>    | <b>2008</b>    |
|---------------------------------------------------|----------------|----------------|
| Investments at fair value                         |                |                |
| Common stocks                                     | \$ 84,312,012  | \$ 65,675,806  |
| Cash & short term investments                     | -              | 175,296        |
| Common/Collective Trusts                          | 111,333,432    | 87,823,881     |
| Registered Investment Companies                   | 62,405,018     | 50,124,961     |
| Other                                             | 1,246,850      | 1,407,095      |
| Total investments                                 | 259,297,312    | 205,207,039    |
| Due from brokers for pending trade sales          | 260,730        | 215,291        |
| Total assets                                      | 259,558,042    | 205,422,330    |
| Due to broker for pending trade purchases         | (269,641)      | (236,175)      |
| Net assets of Master Trust available for benefits | \$ 259,288,401 | \$ 205,186,155 |
| Plan interest in the Master Trust                 | \$ 37,350,332  | \$ 33,390,002  |

Net appreciation (depreciation) of investments in the Master Trust is as follows:

|                                 | <b>2009</b>   | <b>2008</b>      |
|---------------------------------|---------------|------------------|
| Common stocks                   | \$ 15,553,680 | \$ (58,718,786)  |
| Cash & short term investments   | -             | 328,966          |
| Common/Collective Trusts        | 24,574,516    | (48,779,350)     |
| Registered Investment Companies | 11,079,779    | (20,728,987)     |
| Other                           | 1,299,644     | (3,991,201)      |
| Total investments               | \$ 52,507,619 | \$ (131,889,359) |
| Plan interest in Master Trust   | \$ 6,624,008  | \$ (16,777,524)  |

Additionally, investment income of the Master Trust is as follows:

|                                          | <b>2009</b>  | <b>2008</b>  |
|------------------------------------------|--------------|--------------|
| Interest                                 | \$ 13,336    | \$ 315,481   |
| Dividends                                | 2,791,694    | 5,511,806    |
| Investment income (loss) of Master Trust | \$ 2,805,030 | \$ 5,827,287 |
| Plan interest in the Master Trust        | \$ 396,662   | \$ 808,786   |

## **6. Federal Income Tax Status**

The Internal Revenue Service has determined and informed the Company by a letter dated April 29, 2002 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

**The Home Insurance Company Retirement Plan**  
**Notes to Financial Statements**  
**Years Ended December 31, 2009 and 2008**

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**7. Transactions with Parties-in-Interest**

The Plan and the Master Trust invest in a short-term investment fund managed by The Northern Trust Company, the trustee of the Plan. These transactions qualify as party-in-interest transactions.

**8. Fair Value Measurements**

The FASB Financial Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, defines fair value as the price that would be received upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. The Plan's financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by FASB ASC 820, which prioritizes the inputs to valuation techniques used to measure fair value. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of the fair value hierarchy are summarized below:

- Level 1 – Quoted market prices in active markets that the Plan or Trust has the ability to access for identical assets
- 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-based valuations in which all significant inputs are observable in the market; and
- Level 3 – Valuations using significant inputs that are unobservable in the market and include the use of judgment by the Plan or Trust about the assumptions market participants would use in pricing the assets.

**The Home Insurance Company Retirement Plan**  
**Notes to Financial Statements**  
**Years Ended December 31, 2009 and 2008**

| Fair Value Hierarchy                  | Basis of Fair Value Measurement    |                       |                       |             |
|---------------------------------------|------------------------------------|-----------------------|-----------------------|-------------|
|                                       | Balance at<br>December 31,<br>2009 | Level 1               | Level 2               | Level 3     |
| <u>Master trust</u>                   |                                    |                       |                       |             |
| Common stocks                         |                                    |                       |                       |             |
| Domestic                              | \$ 84,279,654                      | \$ 84,279,654         | \$ -                  | \$ -        |
| International                         | 32,358                             | 32,358                | -                     | -           |
| Common/Collective Trusts              |                                    |                       |                       |             |
| Equity                                | 111,333,432                        | -                     | 111,333,432           | -           |
| Registered Investment Companies       |                                    |                       |                       |             |
| Equity                                | 62,405,018                         | 62,405,018            | -                     | -           |
| Other                                 | 1,246,850                          | 1,246,850             | -                     | -           |
| Total investments of Master Trust     | <u>\$ 259,297,312</u>              | <u>\$ 147,963,880</u> | <u>\$ 111,333,432</u> | <u>\$ -</u> |
| <u>Fixed income investments</u>       |                                    |                       |                       |             |
| U.S. government and agency securities | \$ 56,629,949                      | \$ -                  | \$ 56,629,949         | \$ -        |
| Corporate bonds and obligations       |                                    |                       |                       |             |
| Domestic                              | 45,398,910                         | -                     | 45,398,910            | -           |
| International                         | 4,347,150                          | -                     | 4,347,150             | -           |
| Short-term investments                | 858,082                            | 858,082               | -                     | -           |
| Total fixed income investments        | <u>\$ 107,234,091</u>              | <u>\$ 858,082</u>     | <u>\$ 106,376,009</u> | <u>\$ -</u> |

| Fair Value Hierarchy                  | Basis of Fair Value Measurement    |                       |                       |             |
|---------------------------------------|------------------------------------|-----------------------|-----------------------|-------------|
|                                       | Balance at<br>December 31,<br>2008 | Level 1               | Level 2               | Level 3     |
| <u>Master trust</u>                   |                                    |                       |                       |             |
| Common stocks                         | \$ 65,675,806                      | \$ 65,675,806         | \$ -                  | \$ -        |
| Cash & short term investments         | 175,296                            | 175,296               | -                     | -           |
| Common/Collective Trusts              | 87,823,881                         | -                     | 87,823,881            | -           |
| Registered Investment Companies       | 50,124,961                         | 50,124,961            | -                     | -           |
| Other                                 | 1,407,095                          | 1,407,095             | -                     | -           |
| Total investments of Master Trust     | <u>\$ 205,207,039</u>              | <u>\$ 117,383,158</u> | <u>\$ 87,823,881</u>  | <u>\$ -</u> |
| <u>Fixed income investments</u>       |                                    |                       |                       |             |
| U.S. government and agency securities | \$ 69,591,496                      | \$ -                  | \$ 69,591,496         | \$ -        |
| Corporate bonds and obligations       | 43,375,955                         | -                     | 43,375,955            | -           |
| Short-term investments                | 2,781,151                          | 2,781,151             | -                     | -           |
| Total fixed income investments        | <u>\$ 115,748,602</u>              | <u>\$ 2,781,151</u>   | <u>\$ 112,967,451</u> | <u>\$ -</u> |

**9. Amounts due from the Zurich Plan**

During 2009, the Plan discovered that the Plan investment in Master Trust was understated by \$2.8 million. This error resulted from a misallocation of assets between the Zurich Plan and the Plan in 2008. The Company corrected this error in 2009 by increasing net assets available for benefits by \$2.8 million, of which \$2.2 million is related to 2008 and \$0.6 million is related to 2009. The Plan does not believe that this error was material to prior periods; as such, prior period financial statements have not been restated.

During 2008, the Plan transferred assets or paid certain expenses of the Zurich Plan, and accordingly the statement of net assets available for benefits reflects an amount due from the Zurich Plan of \$735,142.

# **The Home Insurance Company Retirement Plan**

## **Notes to Financial Statements**

**Years Ended December 31, 2009 and 2008**

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### **10. Subsequent Events**

Management has evaluated the events and transactions that have occurred through October 1, 2010, the date the financial statements were available to be issued, and noted no items requiring adjustment of the financial statements or additional disclosures.

## **SUPPLEMENTAL SCHEDULES**

**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

Plan interest in Zurich American Insurance Company Master Retirement Trust

\$37,350,332

| Security Description / Asset ID                                                | Shares/Par Value | Historical Cost | Current Value |
|--------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <i>U.S. Government Securities</i>                                              |                  |                 |               |
| <b>United States - USD</b>                                                     |                  |                 |               |
| FEDERAL HOME LN MTG CORP POOL #A1-8573 5% 12-01-2033 BEO<br>CUSIP: 31296RJS8   | 156,669.71       | 156,718.66      | 161,304.00    |
| FEDERAL HOME LN MTG CORP POOL #A2-4458 5% 07-01-2034 BEO<br>CUSIP: 3129786R8   | 72,988.12        | 75,440.07       | 77,914.81     |
| FEDERAL HOME LN MTG CORP POOL #A2-5832 5% 08-01-2034 BEO<br>CUSIP: 31297DPR3   | 60,629.69        | 62,566.47       | 64,722.19     |
| FEDERAL HOME LN MTG CORP POOL #A2-5837 5% 08-01-2034 BEO<br>CUSIP: 31297DPW2   | 53,009.80        | 54,790.62       | 56,587.96     |
| FEDERAL HOME LN MTG CORP POOL #A2-8058 5% 09-01-2034 BEO<br>CUSIP: 31297DXR4   | 82,911.80        | 85,735.97       | 88,508.34     |
| FEDERAL HOME LN MTG CORP POOL #ED-1945 5.5% 04-01-2018 BEO<br>CUSIP: 31264KP66 | 239,622.00       | 245,612.53      | 255,302.86    |
| FEDERAL HOME LN MTG CORP POOL #E9-6450 5% 05-01-2019 BEO<br>CUSIP: 3128H4E98   | 167,329.72       | 167,615.60      | 176,343.77    |
| FEDERAL HOME LN MTG CORP POOL #G0-1584 5% 04-01-2033 BEO<br>CUSIP: 31283HWZ4   | 29,216.31        | 30,066.66       | 31,307.02     |
| FEDERAL HOME LN MTG CORP POOL #G0-2685 5.5% 05-01-2037 BEO<br>CUSIP: 3128M4TW3 | 1,474,536.55     | 1,425,462.12    | 1,546,346.48  |
| FHLB 5% DEC 17/11/2017 USD1030 5 11-17-2017<br>CUSIP: 3133XNQ87                | 1,500,000.00     | 1,602,187.50    | 1,622,578.50  |
| FHLMC GOLD C01582 5.5 07-01-2033<br>CUSIP: 31292HXX6                           | 191,022.18       | 188,185.02      | 201,010.73    |
| FHLMC GOLD C48827 6 03-01-2031<br>CUSIP: 31298HY78                             | 17,008.65        | 16,659.95       | 18,225.84     |
| FHLMC GOLD C7-3909 6 11-01-2032<br>CUSIP: 31288CKW0                            | 214,691.86       | 219,388.18      | 229,988.65    |
| FHLMC GOLD E01009 6.5 08-01-2016<br>CUSIP: 31294KDN2                           | 47,941.01        | 49,678.99       | 51,617.46     |
| FHLMC PREASSIGN 00025 6.125 11-17-2017<br>CUSIP: 3137EABA8                     | 1,500,000.00     | 1,593,009.38    | 1,633,104.00  |
| FNMA POOL #253794 6.5% DUE 05-01-2031 REG<br>CUSIP: 31371J3B8                  | 26,244.88        | 28,139.07       | 30,539.77     |
| FNMA POOL #253845 6% DUE 08-01-2018 REG<br>CUSIP: 31371J6E0                    | 102,107.30       | 101,070.41      | 109,427.37    |
| FNMA POOL #254007 6.5% DUE 10-01-2031 REG<br>CUSIP: 31371KDL2                  | 77,670.58        | 78,445.02       | 83,981.31     |

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**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                        | Shares/Par Value | Historical Cost | Current Value |
|------------------------------------------------------------------------|------------------|-----------------|---------------|
| <i>U.S. Government Securities</i>                                      |                  |                 |               |
| <b>United States - USD</b>                                             |                  |                 |               |
| FNMA POOL #535200 7% DUE 03-01-2015 REG<br>CUSIP: 31384VPV6            | 32,457.90        | 31,585.61       | 34,895.19     |
| FNMA POOL #535400 6.5% DUE 07-01-2030 REG<br>CUSIP: 31384VX56          | 26,632.41        | 24,392.56       | 28,837.84     |
| FNMA POOL #55531 5.5% 06-01-2033 BEO<br>CUSIP: 31385XEC7               | 295,561.60       | 294,836.26      | 310,647.65    |
| FNMA POOL #917162 6.5% DUE 01-01-2032 REG<br>CUSIP: 31389WTT3          | 49,649.28        | 49,913.05       | 53,683.28     |
| FNMA POOL #970405 6.5% 07-01-2032 BEO<br>CUSIP: 31391LYA7              | 58,627.52        | 60,258.14       | 63,354.65     |
| FNMA POOL #973408 5.5% DUE 11-01-2032 REG<br>CUSIP: 31391QDM3          | 138,520.46       | 137,351.46      | 145,742.91    |
| FNMA POOL #735500 5.5% 06-01-2035 BEO<br>CUSIP: 31402RDD8              | 1,008,147.22     | 990,740.97      | 1,058,974.97  |
| FNMA POOL #745740 5% 07-01-2038 BEO<br>CUSIP: 31403OPZ8                | 708,056.58       | 677,521.65      | 727,553.53    |
| FNMA POOL #747536 5% DUE 11-01-2033 REG<br>CUSIP: 31405FPV0            | 254,184.96       | 254,463.00      | 261,903.28    |
| FNMA POOL #779448 6% 06-01-2034 BEO<br>CUSIP: 31405U5H9                | 178,490.09       | 183,342.80      | 190,370.39    |
| FNMA POOL #789413 5% 07-01-2019 BEO<br>CUSIP: 31405HAN8                | 362,448.49       | 362,052.05      | 381,408.17    |
| FNMA POOL #902508 6% DUE 11-01-2038 REG<br>CUSIP: 31411AU94            | 609,826.63       | 611,541.76      | 647,751.74    |
| FNMA PREASSIGN 00506 4.5 04-25-2018<br>CUSIP: 31393AXB8                | 300,000.00       | 293,531.25      | 309,213.90    |
| GNMA POOL #673870 SER 2032 6% DUE 10-15-2032 REG<br>CUSIP: 36200VJP6   | 4,003.00         | 4,106.19        | 4,276.32      |
| GNMA POOL #583944 SER 2032 7% DUE 06-15-2032 REG<br>CUSIP: 36201HWD1   | 36,323.13        | 37,957.67       | 40,239.12     |
| GNMA POOL #592218 6% 12-15-2032 BEO<br>CUSIP: 36201S4B2                | 78,997.80        | 81,034.35       | 84,391.77     |
| GNMA POOL #781218 SER 2030 6.5% DUE 12-15-2030 REG<br>CUSIP: 36225BK56 | 33,297.95        | 33,396.11       | 36,017.39     |
| GNMA POOL #903095 SER 2031 6.5% DUE 08-20-2031 REG<br>CUSIP: 36202BNL1 | 28,294.57        | 28,011.62       | 30,648.02     |

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**December 31, 2009**

**Schedule I**

| Security Description / Asset ID | Shares/Par Value | Historical Cost | Current Value |
|---------------------------------|------------------|-----------------|---------------|
|---------------------------------|------------------|-----------------|---------------|

***U.S. Government Securities***

**United States - USD**

|                                                                                              |               |                      |                      |
|----------------------------------------------------------------------------------------------|---------------|----------------------|----------------------|
| UNITED STATES TREAS BDS DTD 00208 4.5% DUE 05-15-2038 REG<br>CUSIP: 912810PX0                | 1,635,000.00  | 1,757,019.82         | 1,601,023.06         |
| UNITED STATES TREAS BDS DTD 00209 3.6% DUE 02-15-2039 REG<br>CUSIP: 912810QA3                | 1,830,000.00  | 1,748,280.17         | 1,498,883.46         |
| UNITED STATES TREAS BDS DTD 00210 4.25% DUE 05-15-2039 REG<br>CUSIP: 912810QB7               | 1,900,000.00  | 1,813,546.67         | 1,782,437.50         |
| UNITED STATES TREAS BDS DTD 02115/2001 5.375 15 FEB 2031<br>CUSIP: 912810FP8                 | 7,800,000.00  | 8,246,832.72         | 8,619,000.00         |
| UNITED STATES TREAS BDS DTD 08115/1993 8.25% DUE<br>08-15-2023 REG CUSIP: 912810EQ7          | 10,900,000.00 | 12,470,060.07        | 13,018,687.50        |
| UNITED STATES TREAS BDS 00205 4.375% DUE02-15-2038 REG<br>CUSIP: 912810PW2                   | 275,000.00    | 265,686.67           | 264,000.00           |
| UNITED STATES TREAS BDS 7 1/4% 15/8/2022USD1000 7.25% DUE<br>08-15-2022 REG CUSIP: 912810EM6 | 6,725,000.00  | 8,258,869.04         | 8,712,029.02         |
| US TREAS BDS 0 TREAS NT 15/11/2039 USD1000 4.375 DUE<br>11-15-2039 REG CUSIP: 912810QD3      | 2,650,000.00  | 2,546,694.20         | 2,536,548.20         |
| US TREAS BDS 8 3/4 15/8/2020 USD1000 8.75 DUE 08-15-2020<br>REG CUSIP: 912810EG9             | 5,270,000.00  | 7,185,926.57         | 7,455,405.76         |
| US TREAS SEC 4.5 DUE 08-15-2039 REG<br>CUSIP: 912810GC6                                      | 300,000.00    | 314,239.48           | 293,203.20           |
| <b>Total United States - USD</b>                                                             |               | <b>54,946,064.13</b> | <b>56,629,948.88</b> |
| <b>Total U.S. Government Securities</b>                                                      |               | <b>54,946,064.13</b> | <b>56,629,948.88</b> |

***Corporate Debt Instruments - Preferred***

**Australia - USD**

|                                                                |            |            |            |
|----------------------------------------------------------------|------------|------------|------------|
| PVTP L GTD NT 144A 5.7% DUE 10-01-2016 BEO<br>CUSIP: 92924SAB4 | 600,000.00 | 598,638.00 | 617,051.40 |
|----------------------------------------------------------------|------------|------------|------------|

**Total Australia - USD**

|  |  |                   |                   |
|--|--|-------------------|-------------------|
|  |  | <b>598,638.00</b> | <b>617,051.40</b> |
|--|--|-------------------|-------------------|

**Luxembourg - USD**

|                                                            |              |              |              |
|------------------------------------------------------------|--------------|--------------|--------------|
| COVIDIEN INTL FIN 6.55% DUE 10-15-2037<br>CUSIP: 22303QAH3 | 250,000.00   | 255,950.00   | 279,766.00   |
| COVIDIEN INTL FIN 6% DUE 10-15-2017<br>CUSIP: 22303QAG5    | 1,250,000.00 | 1,315,462.50 | 1,351,073.75 |

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**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                                          | Shares/Par Value | Historical Cost | Current Value |
|------------------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <i>Corporate Debt Instruments - Preferred</i>                                            |                  |                 |               |
| <b>Luxembourg - USD</b>                                                                  |                  |                 |               |
| <b>Total Luxembourg - USD</b>                                                            |                  | 1,571,412.50    | 1,630,839.75  |
| <b>Marshall Islands - USD</b>                                                            |                  |                 |               |
| PVTPL NAKILAT INC SR SEC'D 5D 144A 6.067%DUE 12-31-2033 BEO<br>CUSIP: 62983PAA3          | 320,000.00       | 320,000.00      | 277,446.40    |
| <b>Total Marshall Islands - USD</b>                                                      |                  | 320,000.00      | 277,446.40    |
| <b>United Kingdom - USD</b>                                                              |                  |                 |               |
| ASTRAZENECA PLC 6.45% DUE 09-15-2037<br>CUSIP: 046363ADD                                 | 500,000.00       | 550,595.00      | 563,146.50    |
| HSBC HLDGS PLC NT 6.5% DUE 05-02-2038 BEO<br>CUSIP: 404280AG4                            | 550,000.00       | 602,156.50      | 576,853.20    |
| <b>Total United Kingdom - USD</b>                                                        |                  | 1,152,741.50    | 1,139,999.70  |
| <b>United States - USD</b>                                                               |                  |                 |               |
| ABBOTT LABS NT 6.15% DUE<br>11-30-2037/11-09-2007 BEO CUSIP: 002816AC4                   | 500,000.00       | 512,375.00      | 538,555.50    |
| ALABAMA PWR CO 6.125% DUE 05-15-2038<br>CUSIP: 010392EZ7                                 | 500,000.00       | 498,705.00      | 533,999.00    |
| AMERITECH CAP FDG CORP DEB DTD 01/21/1998 6.55%<br>DUE 01-15-2028 REG CUSIP: 030655AN8   | 200,000.00       | 214,932.00      | 193,186.00    |
| ARCHER DANIELS MIDLAND CO BD DTD 10/01/2002 5.935<br>DUE 10-01-2032 BEO CUSIP: 039483AT9 | 300,000.00       | 294,508.30      | 301,647.30    |
| ARCHER DANIELS MIDLAND CO 6.45% DUE<br>01-15-2038/12-11-2007 BEO CUSIP: 039483AX0        | 250,000.00       | 258,042.50      | 278,344.50    |
| BANK AMER FDG CORP 7.825% DUE 06-01-2019<br>CUSIP: 06051GDZ9                             | 1,155,000.00     | 1,146,268.20    | 1,336,158.28  |
| BELLSOUTH CORP BELLSOUTH CORP 6.875%<br>DUE 10-15-2031/10-14-2031 BEO CUSIP:             | 900,000.00       | 978,541.00      | 945,271.80    |
| BRISTOL MYERS 6.125% DUE 05-01-2038<br>CUSIP: 110122AQ1                                  | 785,000.00       | 779,034.00      | 846,636.63    |
| CATERPILLAR INC 7.3 DUE<br>05-01-2031/04-30-2031 BEO CUSIP: 149123BJ9                    | 650,000.00       | 779,885.70      | 778,232.00    |
| CITIGROUP INC NT 8.825 DUE 01-15-2028 BEO<br>CUSIP: 172667AR2                            | 300,000.00       | 329,802.00      | 288,831.60    |

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**The Home Insurance Company Retirement Plan**  
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**December 31, 2009**

**Schedule I**

| Security Description / Asset ID | Shares/Par Value | Historical Cost | Current Value |
|---------------------------------|------------------|-----------------|---------------|
|---------------------------------|------------------|-----------------|---------------|

*Corporate Debt Instruments - Preferred*

**United States - USD**

|                                                                                                      |              |              |              |
|------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|
| CITIGROUP INC 0.872% DUE 03-05-2036<br>CUSIP: 172667EP2                                              | 500,000.00   | 516,205.00   | 499,009.00   |
| CMO BANC AMER MTG SECS INC 2004-5 CL 3-A-3 5 DUE<br>08-25-2019 REG CUSIP: 05648X8Y2                  | 386,439.72   | 384,116.06   | 388,371.91   |
| CMO COML MTG AST TR COML MTG PASSTHRU CTF 89-C1 CL A-4<br>6.975 04-17-13 BEO CUSIP: 201730ADC        | 1,000,000.00 | 1,161,875.00 | 1,078,527.00 |
| CMO CREDIT SUISSE 1ST BSTN MTG SECS CORP2004-C1 CL A-4 4.75<br>DUE 01-15-2037REG CUSIP: 22541SAD0    | 1,000,000.00 | 1,005,000.00 | 987,411.00   |
| CMO CREDIT SUISSE 1ST BSTN MTG SECS CORP2005-C3 CL A-2<br>4.512 DUE 07-12-2037REG CUSIP: 225468VM7   | 476,348.31   | 478,730.05   | 476,356.40   |
| CMO GREENWICH CAP COML FDG CORP SER<br>RT DUE 08-10-2036 REG CUSIP: 395789FT1                        | 800,000.00   | 803,966.40   | 812,001.60   |
| CMO GREENWICH CAP COML FDG CORP SER<br>04-10-2037 SE0 CUSIP: 395789LL1                               | 1,000,000.00 | 988,057.41   | 947,210.00   |
| CMO GS MTG SECS CORP II 2004-GG3 COML MTG PASSTHRU CTF<br>A-5 DUE 08-10-2038 REG CUSIP: 36228CTG8    | 300,000.00   | 301,459.00   | 293,207.10   |
| CMO J P MORGAN CHASE COML MTG SECS CORP 2004-CIBC10 A-6<br>4.859 DUE 01-12-2037 REG CUSIP: 46825YDE0 | 460,000.00   | 462,281.14   | 433,899.14   |
| CMO J P MORGAN CHASE COML MTG SECS CORP 2004-CIBC9 CL A-4<br>5.3827 06-12-41 REG CUSIP: 46825M8W4    | 1,000,000.00 | 1,052,247.87 | 1,007,113.00 |
| CMO J P MORGAN CHASE COML MTG SECS CORP 2005-LDP3 CL 4.839%<br>DUE 08-15-2042 REG CUSIP: 46825YS69   | 1,000,000.00 | 986,655.83   | 948,909.00   |
| CMO ML-CFC COML MTG SER 2006-4<br>12-12-2049 SE0 CUSIP: 56312VAD0                                    | 1,000,000.00 | 990,156.25   | 883,926.00   |
| CMO MORGAN STANLEY DEAN WITTER CAP I TR SER 2003-T11 CL A4<br>6.16 6-13-2041 REG CUSIP: 61746WH26    | 500,000.00   | 517,656.25   | 513,073.50   |
| COCOA COLA ENTERPRISES INC DEB DTD<br>03-15-2026 SE0 CUSIP: 191219BE3                                | 800,000.00   | 883,782.00   | 898,704.80   |
| CONOCOPHILLIPS NT 5.9 DUE 10-15-2032 BE0<br>CUSIP: 20825CAF1                                         | 600,000.00   | 595,366.22   | 612,054.00   |
| CR SUISSE 1ST BSTN 7.125% DUE 07-15-2032<br>CUSIP: 22541LAE3                                         | 475,000.00   | 540,420.39   | 554,895.47   |
| DEERE & CO DEERE & CO DEB 7.1250000 7 125 DUE<br>03-03-2031 SE0 CUSIP: 244160BA2                     | 300,000.00   | 346,228.97   | 356,690.40   |
| DET EDISON CO SR NT 2032 5.35 DUE<br>10-15-2032/10-14-2032 BE0 CUSIP: 250847DU1                      | 250,000.00   | 261,402.25   | 265,887.50   |

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**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                                             | Shares/Par Value | Historical Cost | Current Value |
|---------------------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <i>Corporate Debt Instruments - Preferred</i>                                               |                  |                 |               |
| <b>United States - USD</b>                                                                  |                  |                 |               |
| DOMINION RES INC VA NEW DOMINION RES INCVA NEW 6.000 6% DUE 11-30-2017 BEO CUSIP: 25748UBC2 | 250,000.00       | 249,297.50      | 268,787.00    |
| DU FONT E I DE NEMOURS & CO 6.5 DUE 01-15-2026 REG CUSIP: 263594BG3                         | 200,000.00       | 212,217.60      | 220,020.60    |
| DUKE ENERGY 5.3% DUE 02-15-2040 CUSIP: 28443CAH7                                            | 500,000.00       | 497,865.00      | 480,297.00    |
| EMERSON ELEC CO NT DTD 03/19/2002 6 DUE 09-15-2032 BEO CUSIP: 281011AQ7                     | 200,000.00       | 203,281.26      | 210,702.00    |
| FLORIDA PWR & LT CO NT DTD 04/04/2003 5.625% DUE 04-01-2034 BEO CUSIP: 341081EQ8            | 250,000.00       | 247,350.48      | 251,096.75    |
| GENERAL ELEC CAP CORP MEDIUM TERM NTS BOOK ENTRY 5.875% DUE 01-14-2038 BEO CUSIP: 38862G3P7 | 1,500,000.00     | 1,450,065.00    | 1,388,824.50  |
| GEORGIA PWR CO 5.85% DUE 03-01-2037 BEO CUSIP: 373234GC9                                    | 500,000.00       | 497,795.00      | 500,580.00    |
| GOLDMAN SACHS 8.75% DUE 10-01-2037 CUSIP: 38141GFD1                                         | 700,000.00       | 687,520.00      | 719,520.90    |
| INTL BUSINESS MACHS CORP 5.575 DUE 11-29-2032 BEO CUSIP: 459230BB6                          | 500,000.00       | 536,968.67      | 513,019.00    |
| JPMORGAN CHASE & CO FORMERLY J P MORGAN NT 6.4 DUE 05-15-2038 BEO CUSIP: 46823HHF0          | 750,000.00       | 741,345.00      | 825,582.00    |
| MCDONALDS CORP MEDIUM TERM NTS BOOK ENTRY SR NT 6.3% DUE 03-01-2038 BEO CUSIP: 58013MEF7    | 250,000.00       | 258,817.50      | 275,764.25    |
| MERCK & CO INC 5.85% DUE 06-30-2039 CUSIP: 589231AQ0                                        | 995,000.00       | 993,029.90      | 1,047,111.13  |
| MIDAMERICAN ENERGY 6.75% DUE 12-30-2031 CUSIP: 58562DAB1                                    | 475,000.00       | 531,704.29      | 531,228.60    |
| MONSANTO CO NEW SR NT 5.5% DUE 08-15-2025 BEO CUSIP: 61168WAE1                              | 200,000.00       | 221,948.00      | 198,925.40    |
| MONSANTO CO NEW 5.875% DUE 04-15-2038 BEO CUSIP: 61168WAG6                                  | 600,000.00       | 591,180.00      | 619,752.00    |
| MORGAN STANLEY MORGAN STANLEY DEAN 7.25 DUE 04-01-2033 BEO CUSIP: 617446HD4                 | 400,000.00       | 468,726.59      | 455,002.00    |
| MORGAN STANLEY 7.3% DUE 05-13-2018 CUSIP: 61747YCG6                                         | 500,000.00       | 499,935.00      | 561,465.00    |
| NATL CY CORP SUB DEB DTD 05/04/1989 6.875 DUE 05-15-2016 BEO CUSIP: 635405AM5               | 400,000.00       | 459,388.00      | 423,400.40    |

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|----------------------------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <i>Corporate Debt Instruments - Preferred</i>                                                      |                  |                 |               |
| <b>United States - USD</b>                                                                         |                  |                 |               |
| NORTHN STS PWR CO 5.35% DUE 11-01-2039<br>CUSIP: 665772CE7                                         | 100,000.00       | 99,810.00       | 96,513.50     |
| ORACLE CORP 6.125% DUE 07-28-2039<br>CUSIP: 68389XAH6                                              | 400,000.00       | 397,336.00      | 420,014.00    |
| PACIFIC BELL 7.125% DUE 03-15-2038<br>CUSIP: 66403ZAT0                                             | 300,000.00       | 341,619.21      | 326,744.70    |
| PECO ENERGY CO BD 5.95% DUE<br>10-01-2036 BEO CUSIP: 693304AH0                                     | 250,000.00       | 249,232.50      | 258,812.50    |
| PEPSI BOTTLING GROUP INC GTD SR NT 7% DUE<br>03-01-2028/02-28-2029 BEO CUSIP: 713469AC4            | 500,000.00       | 577,659.56      | 584,146.00    |
| PHILIP MORRIS INTL INC 6.375% DUE 05-18-2038 BEO<br>CUSIP: 718172AC3                               | 425,000.00       | 426,751.00      | 459,393.55    |
| PNC BK N A PITT PA MEDIUM TERM SUB TRANCHE # TR 00003<br>4.875 9-21-2017 REG CUSIP: 69346LAC2      | 475,000.00       | 435,247.70      | 449,448.32    |
| PUB SVC CO OF CO C CRP XEL 5.25 DUE 09-01-2037 BEO<br>CUSIP: 744448BZ3                             | 500,000.00       | 508,795.00      | 546,061.00    |
| PUBLIC SVC ELEC GAS CO SEC2 MEDIUM TERM NTS S00K ENTRY MTN<br>5.5% DUE 05-01-2037 CUSIP: 74436GAR7 | 1,000,000.00     | 998,050.00      | 1,029,002.00  |
| PVTPL KERN RIV FDG CORP SR NT 144A 4.893% DUE<br>04-30-2018/04-30-2005 BEO CUSIP: 46228RAE3        | 101,155.87       | 102,693.44      | 100,902.98    |
| SBC COMMUNICATIONS INC NT 6.15% DUE<br>08-15-2034/08-14-2034 BEO CUSIP: 78387GAQ6                  | 450,000.00       | 440,142.12      | 444,826.80    |
| SOUTHERN CALIF EDISON CO REF 1ST MTG SER2008A 5.65% DUE<br>02-01-2038 BEO CUSIP: 84240BFH1         | 500,000.00       | 506,670.00      | 525,251.50    |
| SOUTHERN CAL GAS CO SOUTHN CA GAS CO<br>04-15-2018 BEO CUSIP: 842434CD2                            | 300,000.00       | 309,303.60      | 317,511.00    |
| UNITED PARCEL SVC INC SR NT 6.2% DUE<br>01-15-2038/01-15-2008 REG CUSIP: 911312AJE                 | 500,000.00       | 537,080.00      | 554,322.00    |
| LTD TECHNOLOGIES CORP NT DTD 08/04/1998 6.7 DUE 08-01-2028<br>BEO CUSIP: 913017A16                 | 300,000.00       | 336,198.00      | 336,231.00    |
| VERIZON COMMUNICATIONS INC NT 6.8% DUE 04-15-2038 BEO<br>CUSIP: 92343VAP9                          | 1,000,000.00     | 1,029,360.00    | 1,108,343.00  |
| VODAFONE GROUP PLC 6.25% DUE 11-30-2032<br>CUSIP: 92857WAB6                                        | 300,000.00       | 304,056.43      | 311,498.70    |
| WACHOVIA CORP NEW 5.5% DUE 08-01-2035<br>CUSIP: 928603AM4                                          | 500,000.00       | 482,355.00      | 441,331.50    |

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as complete and accurate by The Northern Trust Company.

**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                                                  | Shares/Par Value | Historical Cost | Current Value |
|--------------------------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <i>Corporate Debt Instruments - Preferred</i>                                                    |                  |                 |               |
| <b>United States - USD</b>                                                                       |                  |                 |               |
| WAL-MART STORES INC BD 5.25% DUE 00-01-2036 REG<br>CUSIP: 931142C87                              | 425,000.00       | 405,131.25      | 417,910.57    |
| WAL-MART STORES INC WALMART 6.2 4 15 36 6.2% DUE 04-15-2038<br>BEO<br>CUSIP: 931142CM3           | 350,000.00       | 353,584.00      | 385,977.90    |
| WELLS FARGO BK 5.95% DUE 06-26-2036<br>CUSIP: 94980VAG3                                          | 500,000.00       | 516,954.40      | 488,016.50    |
| WYETH NT 5.95 DUE 04-01-2037/03-27-2007 BEO<br>CUSIP: 983024ANC                                  | 450,000.00       | 446,944.50      | 469,250.10    |
| <b>Total United States - USD</b>                                                                 |                  | 37,201,108.29   | 37,560,699.08 |
| <b>Total Corporate Debt Instruments - Preferred</b>                                              |                  | 40,843,900.29   | 41,226,036.33 |
| <i>Corporate Debt Instruments - Other</i>                                                        |                  |                 |               |
| <b>Brazil - USD</b>                                                                              |                  |                 |               |
| VALE OVERSEAS LTD 5.625% DUE 09-15-2019<br>CUSIP: 91911TAJ2                                      | 330,000.00       | 327,465.60      | 333,210.24    |
| <b>Total Brazil - USD</b>                                                                        |                  | 327,465.60      | 333,210.24    |
| <b>Germany - USD</b>                                                                             |                  |                 |               |
| DEUTSCHE TELEKOM 8% DUE 07-05-2019<br>CUSIP: 25158PAN2                                           | 250,000.00       | 248,427.50      | 266,917.75    |
| <b>Total Germany - USD</b>                                                                       |                  | 248,427.50      | 266,917.75    |
| <b>United Kingdom - USD</b>                                                                      |                  |                 |               |
| PVTPL SYSTEMS 2001 A T LLC SERIES-2001 CLASS-G 144A 6.684<br>DUE 06-15-2013 BEO CUSIP: 67203RAA0 | 79,847.58        | 88,984.63       | 81,685.67     |
| <b>Total United Kingdom - USD</b>                                                                |                  | 88,984.63       | 81,685.67     |
| <b>United States - USD</b>                                                                       |                  |                 |               |
| ANADARKO PETE CORP 6.95% DUE 08-15-2019<br>CUSIP: 032511BF3                                      | 660,000.00       | 652,614.60      | 748,450.56    |
| BURK NORTHERN SANTA 6.2% DUE 08-15-2038<br>CUSIP: 12188TAX2                                      | 250,000.00       | 256,905.00      | 265,571.75    |

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**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID | Shares/Par Value | Historical Cost | Current Value |
|---------------------------------|------------------|-----------------|---------------|
|---------------------------------|------------------|-----------------|---------------|

*Corporate Debt Instruments - Other*

**United States - USD**

|                                                                                                   |              |              |            |
|---------------------------------------------------------------------------------------------------|--------------|--------------|------------|
| CENTERPOINT ENERGY 8.125% DUE 11-01-2017<br>CUSIP: 15188WAC2                                      | 105,000.00   | 104,640.90   | 108,489.15 |
| CMO GS MTG SECS TR 2006-GG8 SER 2006-GG8CLASS-A4 5.68 DUE 11-10-2038 REG<br>CUSIP: 362332A1E8     | 1,000,000.00 | 1,020,273.44 | 875,544.00 |
| CMO J P MORGAN CHASE COML MTG SECS CORP 2004-C1 CL A-3 4.719% DUE 01-16-2038 REG CUSIP: 46625MV71 | 500,000.00   | 502,329.50   | 485,872.00 |
| COMCAST CORP NEW 0 DUE 08-15-2037 BEO CUSIP: 2033UNAV3                                            | 500,000.00   | 503,500.00   | 544,946.50 |
| CYS CAREMARK CORP SR NT 6.25% DUE 06-01-2027 REG CUSIP: 128850BJ8                                 | 238,000.00   | 235,824.68   | 242,034.10 |
| GOLDMAN SACHS CAP I 6.345 DUE 02-15-2034 BEO CUSIP: 38143VAA7                                     | 900,000.00   | 904,008.02   | 842,633.10 |
| JPMORGAN CHASE CAP XXII LTD CAP SECS SERV 6.45 DUE 02-02-2037 REG CUSIP: 48123QAA1                | 500,000.00   | 497,960.00   | 458,868.00 |
| KINDER MORGAN 6.5% DUE 08-01-2039 CUSIP: 484660BD7                                                | 560,000.00   | 555,060.80   | 564,374.16 |
| KRAFT FOODS INC 8.125% DUE 02-01-2018 CUSIP: 50075NAJ5                                            | 155,000.00   | 154,248.25   | 162,989.01 |
| LB-LBS COML MTG TR 4.821% DUE 04-15-2030 CUSIP: 52108H3D4                                         | 354,628.86   | 356,392.56   | 355,143.42 |
| LEHMAN BROS HLDGS INC LEHMAN BROTHERS HOLDINGS INC 7.5 5-11-38 BEO DEFAULT CUSIP: 5249087N4       | 250,000.00   | 248,197.50   | 75.00      |
| LEHMAN INC 7.5 SR SUB NTS DUE 08-01-2028SD IN DEFAULT CUSIP: 524909AW6                            | 200,000.00   | 232,834.44   | 60.00      |
| PAC GAS & ELEC CO 6.05% DUE 03-01-2034 CUSIP: 684208GE1                                           | 500,000.00   | 496,470.00   | 522,017.00 |
| PVTPL CMO CR SUISSE COML MTG TR SER 5.918 12-15-2039 BEO CUSIP: 22545LAX7                         | 308,000.00   | 309,539.61   | 35,771.12  |
| QUEST DIAGNOSTICS 5.75% DUE 01-30-2040 CUSIP: 74934LAQ3                                           | 970,000.00   | 943,111.60   | 941,359.78 |
| REPUBLIC SVCS INC 6.5% DUE 05-15-2019 CUSIP: 780761AA4                                            | 315,000.00   | 312,747.75   | 319,867.38 |
| SOUTHWEST GAS CORP 7.825% DUE 05-15-2012 CUSIP: 644865A51                                         | 15,000.00    | 14,943.60    | 16,326.18  |

**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                              | Shares/Par Value | Historical Cost | Current Value  |
|--------------------------------------------------------------|------------------|-----------------|----------------|
| <i>Corporate Debt Instruments - Other</i>                    |                  |                 |                |
| <b>United States - USD</b>                                   |                  |                 |                |
| WASTE MGMT INC DEL 6.125% DUE 11-30-2039<br>CUSIP: 94106LAV1 | 350,000.00       | 348,131.00      | 347,817.75     |
| <b>Total United States - USD</b>                             |                  | 8,649,733.25    | 7,838,209.96   |
| <b>Total Corporate Debt Instruments - Other</b>              |                  | 9,314,610.98    | 8,520,023.62   |
| <i>Value of Interest in Common/Collective Trusts</i>         |                  |                 |                |
| <b>United States - USD</b>                                   |                  |                 |                |
| COLTV SHORT TERM INVT FD<br>CUSIP: 195908AC3                 | 858,081.62       | 858,081.62      | 858,081.62     |
| <b>Total United States - USD</b>                             |                  | 858,081.62      | 858,081.62     |
| <b>Total Value of Interest in Common/Collective Trusts</b>   |                  | 858,081.62      | 858,081.62     |
| <b>Total</b>                                                 |                  | 10,172,692.60   | 107,234,090.45 |

**Total investments**

**\$144,584,423**

Note: The investments COLTV Short Term Invt FD represents a party-in-interest

This schedule has been derived from information certified as complete and accurate by The Northern Trust Company.

**The Home Insurance Company Retirement Plan**  
**Schedule of Reportable Transactions per Schedule H, Line 4j of Form 5500**  
**Year Ended December 31, 2009**

**Schedule H**

| <u>Identity of Issue</u>                                                 | <u>Description</u>           | <u>Number of Transactions</u> | <u>Cost of Asset</u> | <u>Current Value of Asset</u> | <u>Net Gain or (Loss)</u> |
|--------------------------------------------------------------------------|------------------------------|-------------------------------|----------------------|-------------------------------|---------------------------|
| * The Northern Trust Company<br>Collective Short-Term<br>Investment Fund | Common/collective trust fund |                               |                      |                               |                           |
| Purchases                                                                |                              | 106                           | \$11,702,695         | \$11,702,695                  |                           |
| Sales                                                                    |                              | 26                            | 13,625,763           | 13,625,763                    | \$0                       |

\*Denotes party in interest

This schedule has been derived from information certified as complete and accurate by The Northern Trust Company.

# The Home Insurance Company Retirement Plan

## Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500

### December 31, 2009

Schedule I

Plan interest in Zurich American Insurance Company Master Retirement Trust

\$37,350,332

| Security Description / Asset ID                                                | Shares/Par Value | Historical Cost | Current Value |
|--------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <i>U.S. Government Securities</i>                                              |                  |                 |               |
| <b>United States - USD</b>                                                     |                  |                 |               |
| FEDERAL HOME LN MTG CORP POOL #A1-9573 5% 12-01-2033 BEO<br>CUSIP: 31298RJ58   | 156,669.71       | 156,718.66      | 161,304.00    |
| FEDERAL HOME LN MTG CORP POOL #A2-4456 6% 07-01-2034 BEO<br>CUSIP: 312973B648  | 72,988.12        | 75,440.07       | 77,914.81     |
| FEDERAL HOME LN MTG CORP POOL #A2-5832 6% 06-01-2034 BEO<br>CUSIP: 312970P93   | 60,629.69        | 62,666.47       | 64,722.19     |
| FEDERAL HOME LN MTG CORP POOL #A2-5837 6% 06-01-2034 BEO<br>CUSIP: 312970P92   | 53,009.80        | 54,790.62       | 56,587.96     |
| FEDERAL HOME LN MTG CORP POOL #A2-6058 5% 06-01-2034 BEO<br>CUSIP: 312970X94   | 82,911.80        | 85,735.97       | 88,508.34     |
| FEDERAL HOME LN MTG CORP POOL #E0-1346 5.5% 04-01-2018 BEO<br>CUSIP: 31294K986 | 239,622.00       | 245,612.53      | 255,302.86    |
| FEDERAL HOME LN MTG CORP POOL #E9-8460 5% 05-01-2018 BEO<br>CUSIP: 31294K986   | 187,329.72       | 167,615.60      | 176,343.77    |
| FEDERAL HOME LN MTG CORP POOL #G0-1564 6% 04-01-2033 BEO<br>CUSIP: 31293HW24   | 29,216.31        | 30,066.66       | 31,307.02     |
| FEDERAL HOME LN MTG CORP POOL #G0-2685 5.5% 05-01-2037 BEO<br>CUSIP: 31294K987 | 1,474,536.55     | 1,425,462.12    | 1,546,346.48  |
| FHLB 5% DEB 17/11/2017 USD1000 5 11-17-2017<br>CUSIP: 3133XMG87                | 1,500,000.00     | 1,602,187.50    | 1,622,579.50  |
| FHLMC GOLD C01582 5.5 07-01-2033<br>CUSIP: 31292XK6                            | 191,022.18       | 188,185.02      | 201,010.73    |
| FHLMC GOLD C4827 6 03-01-2031<br>CUSIP: 31298HY78                              | 17,008.65        | 16,659.95       | 18,225.84     |
| FHLMC GOLD C7-3909 6 11-01-2032<br>CUSIP: 31298CKVD                            | 214,691.86       | 219,398.18      | 229,988.65    |
| FHLMC GOLD ED1009 6.5 06-01-2016<br>CUSIP: 31294DN2                            | 47,941.01        | 49,678.99       | 51,617.46     |
| FHMC REASSIGN 00025 5.126 11-17-2017<br>CUSIP: 3137EABAB                       | 1,500,000.00     | 1,593,009.38    | 1,633,104.00  |
| FNMA POOL #253794 6.5% DUE 05-01-2031 REG<br>CUSIP: 31371J3B8                  | 28,244.88        | 28,139.07       | 30,539.77     |
| FNMA POOL #253845 6% DUE 06-01-2016 REG<br>CUSIP: 31371J6E0                    | 102,107.30       | 101,070.41      | 109,427.37    |
| FNMA POOL #254007 6.5% DUE 10-01-2031 REG<br>CUSIP: 31371KDL2                  | 77,670.58        | 78,445.02       | 83,981.31     |

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# The Home Insurance Company Retirement Plan

## Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500

### December 31, 2009

Schedule I

| Security Description / Asset ID                               | Shares/Par Value | Historical Cost | Current Value |
|---------------------------------------------------------------|------------------|-----------------|---------------|
| <i>U.S. Government Securities</i>                             |                  |                 |               |
| <b>United States - USD</b>                                    |                  |                 |               |
| FNMA POOL #535200 7% DUE 03-01-2015 REG<br>CUSIP: 313841RXV6  | 32,457.90        | 31,585.61       | 34,895.19     |
| FNMA POOL #535400 6.5% DUE 07-01-2030 REG<br>CUSIP: 313841X58 | 26,632.41        | 24,392.56       | 28,837.84     |
| FNMA POOL #555301 5.4% 06-01-2033 BEO<br>CUSIP: 31385XEC7     | 295,561.60       | 294,836.26      | 310,647.65    |
| FNMA POOL #917462 6.5% DUE 01-01-2032 REG<br>CUSIP: 31388WTT3 | 49,649.28        | 49,913.05       | 53,683.28     |
| FNMA POOL #07D405 6.5% 07-01-2032 BEO<br>CUSIP: 3138TLV47     | 56,627.52        | 60,258.14       | 63,354.65     |
| FNMA POOL #073408 6.5% DUE 11-01-2032 REG<br>CUSIP: 3138KODN3 | 138,520.46       | 137,351.46      | 145,742.91    |
| FNMA POOL #735500 5.5% 06-01-2035 BEO<br>CUSIP: 31402R0D8     | 1,008,147.22     | 990,740.97      | 1,058,974.97  |
| FNMA POOL #745740 5% 07-01-2036 BEO<br>CUSIP: 314030P26       | 708,056.58       | 677,521.65      | 727,563.53    |
| FNMA POOL #747536 5% DUE 11-01-2033 REG<br>CUSIP: 31408FPV0   | 254,184.96       | 254,463.00      | 261,903.28    |
| FNMA POOL #778448 6% 06-01-2034 BEO<br>CUSIP: 31404USH8       | 178,490.09       | 183,342.80      | 190,370.39    |
| FNMA POOL #788413 6% 07-01-2018 BEO<br>CUSIP: 314051AM8       | 362,448.49       | 362,052.05      | 381,408.17    |
| FNMA POOL #802508 6% DUE 11-01-2036 REG<br>CUSIP: 31411AUG4   | 609,826.63       | 611,541.76      | 647,751.74    |
| FNMA PREASSIGN 00506 4.5 04-25-2018<br>CUSIP: 31382AXB8       | 300,000.00       | 293,531.25      | 309,213.90    |
| GNMA POOL #57367D SER 2032 8% DUE<br>CUSIP: 3620VJF9          | 4,003.00         | 4,106.19        | 4,276.32      |
| GNMA POOL #583944 SER 2032 7% DUE<br>CUSIP: 3620HWD1          | 36,323.13        | 37,957.67       | 40,239.12     |
| GNMA POOL #592218 6% 12-15-2032 BEO<br>CUSIP: 36201S4B2       | 78,997.80        | 81,034.35       | 84,391.77     |
| GNMA POOL #781718 SER 2030 8.5% DUE<br>CUSIP: 3622BKC6        | 33,297.95        | 33,396.11       | 36,074.39     |
| GNMA II POOL #002085 SER 2031 8.5% DUE<br>CUSIP: 36202ENL1    | 28,294.57        | 28,011.62       | 30,648.02     |

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**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                                               | Shares/Par Value | Historical Cost      | Current Value        |
|-----------------------------------------------------------------------------------------------|------------------|----------------------|----------------------|
| <b>U.S. Government Securities</b>                                                             |                  |                      |                      |
| <b>United States - USD</b>                                                                    |                  |                      |                      |
| UNITED STATES TREAS BDS DTD 00208 4.5% DUE 08-16-2038 REG<br>CUSIP: 912810FX0                 | 1,635,000.00     | 1,757,019.82         | 1,601,023.06         |
| UNITED STATES TREAS BDS DTD 00209 3.6% DUE 02-16-2039 REG<br>CUSIP: 912810QAA                 | 1,830,000.00     | 1,748,280.17         | 1,458,983.46         |
| UNITED STATES TREAS BDS DTD 00210 4.25% DUE 06-16-2039 REG<br>CUSIP: 912810QAB                | 1,900,000.00     | 1,813,546.67         | 1,782,437.50         |
| UNITED STATES TREAS BDS DTD 02215/2001 6.375 16 FEB 2031<br>CUSIP: 912810PF8                  | 7,800,000.00     | 8,248,832.72         | 8,619,000.00         |
| UNITED STATES TREAS BDS DTD 09/15/1993 8.25% DUE<br>09-15-2023 REG CUSIP: 912810EQ7           | 10,900,000.00    | 12,470,060.07        | 13,018,687.50        |
| UNITED STATES TREAS BDS 00206 4.375% DUE 02-15-2038 REG<br>CUSIP: 912810PW2                   | 275,000.00       | 265,686.67           | 264,000.00           |
| UNITED STATES TREAS BDS 7 1/4% 15/09/2025USD1000 7.25% DUE<br>08-16-2022 REG CUSIP: 912810EM6 | 6,725,000.00     | 8,258,869.04         | 8,712,029.02         |
| US TREAS BDS 0 TREAS NT 15/11/2039 USD1000 4.375 DUE<br>11-16-2039 REG CUSIP: 912810QD3       | 2,650,000.00     | 2,546,694.20         | 2,536,548.20         |
| US TREAS BDS 8 3/4 15/09/2020 USD1000 8.75 DUE 08-16-2020<br>CUSIP: 912810EG8                 | 5,270,000.00     | 7,185,926.57         | 7,455,405.76         |
| US TREAS SEC 4.5 DUE 08-16-2039 REG<br>CUSIP: 912810QCG                                       | 300,000.00       | 314,239.48           | 293,203.20           |
| <b>Total United States - USD</b>                                                              |                  | <b>54,946,064.13</b> | <b>56,629,948.88</b> |
| <b>Total U.S. Government Securities</b>                                                       |                  | <b>54,946,064.13</b> | <b>56,629,948.88</b> |
| <b>Corporate Debt Instruments - Preferred</b>                                                 |                  |                      |                      |
| <b>Australia - USD</b>                                                                        |                  |                      |                      |
| PVTP, LTD NT 144A 6.7% DUE 10-01-2016 BEO<br>CUSIP: 92924SAB4                                 | 600,000.00       | 598,638.00           | 617,051.40           |
| <b>Total Australia - USD</b>                                                                  |                  | <b>598,638.00</b>    | <b>617,051.40</b>    |
| <b>Luxembourg - USD</b>                                                                       |                  |                      |                      |
| COVIDIEN INTL FIN 6.55% DUE 10-15-2037<br>CUSIP: 22303QAH3                                    | 250,000.00       | 255,950.00           | 279,766.00           |
| COVIDIEN INTL FIN 6% DUE 10-15-2017<br>CUSIP: 22303QAG5                                       | 1,250,000.00     | 1,315,462.50         | 1,351,073.75         |

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# The Home Insurance Company Retirement Plan

## Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500

### December 31, 2009

Schedule I

| Security Description / Asset ID                                                | Shares/Par Value | Historical Cost | Current Value |
|--------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <i>Corporate Debt Instruments - Preferred</i>                                  |                  |                 |               |
| <b>Luxembourg - USD</b>                                                        |                  |                 |               |
| <b>Total Luxembourg - USD</b>                                                  |                  | 1,571,412.50    | 1,630,639.75  |
| <b>Marshall Islands - USD</b>                                                  |                  |                 |               |
| MYTEL MAKILAT INC SR SEC2 BD 144A 6.007%DUE 12-31-2033 BEO<br>CUSIP: 62883PA43 | 320,000.00       | 320,000.00      | 277,446.40    |
| <b>Total Marshall Islands - USD</b>                                            |                  | 320,000.00      | 277,446.40    |
| <b>United Kingdom - USD</b>                                                    |                  |                 |               |
| ASTRAZENECA PLC 6.45% DUE 08-15-2037<br>CUSIP: 046833AD0                       | 500,000.00       | 550,585.00      | 563,146.50    |
| HSBC HLDS PLC NT 6.6% DUE 05-02-2036 BEO<br>CUSIP: 404280AG4                   | 550,000.00       | 602,156.50      | 576,853.20    |
| <b>Total United Kingdom - USD</b>                                              |                  | 1,152,741.50    | 1,139,999.70  |
| <b>United States - USD</b>                                                     |                  |                 |               |
| ABBOTT LABS NT 6.15% DUE<br>11-30-2037 11-08-2007 BEO<br>CUSIP: 010392EZ7      | 500,000.00       | 512,375.00      | 538,555.50    |
| ALABAMA PWR CO 6.125% DUE 05-15-2038<br>CUSIP: 010392EZ7                       | 500,000.00       | 498,705.00      | 533,999.00    |
| AMERTECH CAP FDG CORP DEB DTD<br>DUE 01-15-2028 REG CUSIP: 030655AN8           | 200,000.00       | 214,932.00      | 193,188.00    |
| ARCHER DANIELS MIDLAND CO BD DTD<br>DUE 10-01-2032 BEO CUSIP: 03483AT9         | 300,000.00       | 294,508.30      | 301,647.30    |
| ARCHER DANIELS MIDLAND CO 6.45% DUE<br>01-15-2038 11-2007 BEO CUSIP: 039483AX0 | 250,000.00       | 258,042.50      | 278,344.50    |
| BANK AMER FDG CORP 7.625% DUE 08-01-2016<br>CUSIP: 08061G0Z8                   | 1,155,000.00     | 1,146,268.20    | 1,336,158.28  |
| BELLSOUTH CORP BELL SOUTH CORP 6.875%<br>DUE 10-15-2037 10-14-2031 BEO CUSIP:  | 900,000.00       | 978,541.00      | 945,271.80    |
| BRISTOL MYERS 6.125% DUE 05-01-2038<br>CUSIP: 110122AC1                        | 785,000.00       | 779,034.00      | 846,636.63    |
| CATERPILLAR INC 7.3 DUE<br>08-01-2037 04-30-2031 BEO CUSIP: 149123BJ6          | 650,000.00       | 779,885.70      | 778,232.00    |
| CITIGROUP INC NT 6.625 DUE 01-15-2035 BEO<br>CUSIP: 172657ARZ                  | 300,000.00       | 329,802.00      | 288,831.60    |

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**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                                                      | Shares/Par Value | Historical Cost | Current Value |
|------------------------------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <b>Corporate Debt Instruments - Preferred</b>                                                        |                  |                 |               |
| <b>United States - USD</b>                                                                           |                  |                 |               |
| CITIGROUP INC 6.875% DUE 03-05-2036<br>CUSIP: 172687EP2                                              | 500,000.00       | 516,205.00      | 499,009.00    |
| CMO BANC AMER MTG SECS INC 2004-5 CL 3-A-3 5 DUE<br>06-25-2018 REG CUSIP: 05946XB72                  | 366,439.72       | 384,116.06      | 388,371.91    |
| CMO COML MTG AST TR COML MTG PASSTHRU CTF 8B-C1 CL A-4<br>8.875 04-17-13 BEO CUSIP: 201730AD0        | 1,000,000.00     | 1,161,875.00    | 1,078,527.00  |
| CMO CREDIT SUISSE 1ST BSTN MTG SECS CORP2004-C1 CL A-4 4.75<br>DUE 01-15-2037REG CUSIP: 226415AD0    | 1,000,000.00     | 1,005,000.00    | 987,411.00    |
| CMO CREDIT SUISSE 1ST BSTN MTG SECS CORP2005-C3 CL A-2<br>4.812 DUE 07-15-2038REG CUSIP: 226468VM7   | 476,348.31       | 478,730.05      | 476,356.40    |
| CMO GREENWICH CAP COML FDG CORP SER 2004-GG1 CL-A7 VAR<br>RT DUE 08-10-2036 REG CUSIP: 380789FT1     | 800,000.00       | 803,966.40      | 812,001.60    |
| CMO GREENWICH CAP COML FDG CORP SER 2005-GG5 CL A5 DUE<br>04-10-2037 BEO CUSIP: 380789LL1            | 1,000,000.00     | 988,057.41      | 947,210.00    |
| CMO GS MTG SECS CORP II 2004-GG2 COML MTG PASSTHRU CTF<br>A-3 DUE 08-10-2038 REG CUSIP: 38228CTG8    | 300,000.00       | 301,459.00      | 293,207.10    |
| CMO J P MORGAN CHASE COML MTG SECS CORP 2004-CIBC10 A-3<br>4.889 DUE 01-12-2037 REG CUSIP: 46825YDE0 | 460,000.00       | 462,281.14      | 433,899.14    |
| CMO J P MORGAN CHASE COML MTG SECS CORP 2004-CIBC8 CL A-4<br>5.3827 06-12-41 REG CUSIP: 46825M8W2    | 1,000,000.00     | 1,052,247.87    | 1,007,113.00  |
| CNO J P MORGAN CHASE COML MTG SECS CORP 2005-LDP3 CL A-4<br>DUE 08-16-2042 REG CUSIP: 46825YSG8      | 1,000,000.00     | 986,655.83      | 948,909.00    |
| CMO ML-CFC COML MTG SER 2006-4 CL-A3 FLT RT DUE<br>12-12-2048 BEO CUSIP: 86312VAD0                   | 1,000,000.00     | 990,156.25      | 883,926.00    |
| CMO MORGAN STANLEY DEAN WITTER CAP I TR SER 2003-T11 CL A4<br>6.16 8-13-2041 REG CUSIP: 81746WH2E    | 500,000.00       | 517,856.25      | 513,073.50    |
| COCA COLA ENTERPRISES INC DEB DTD 09/11/1998 6.75 DUE<br>09-19-2028 BEO CUSIP: 191219BES             | 800,000.00       | 883,782.00      | 898,704.80    |
| CONOCOPHILLIPS NT 5.8 DUE 10-15-2032 BEO<br>CUSIP: 20825CAF1                                         | 600,000.00       | 595,366.22      | 612,054.00    |
| CR SUISSE 1ST BSTN 7.125% DUE 07-15-2032<br>CUSIP: 22641LAE3                                         | 475,000.00       | 540,420.39      | 554,895.47    |
| DEERE & CO DEERE & CO DEB 7.125000 7.125 DUE<br>03-03-2031 BEO CUSIP: 244198BA2                      | 300,000.00       | 346,228.97      | 356,690.40    |
| DET EDISON CO SR NT 2032 8.35 DUE<br>10-16-2032710-14-2032 BEO CUSIP: 250847DU1                      | 250,000.00       | 261,402.25      | 265,887.50    |

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**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                                             | Shares/Par Value | Historical Cost | Current Value |
|---------------------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <b>Corporate Debt Instruments - Preferred</b>                                               |                  |                 |               |
| <b>United States - USD</b>                                                                  |                  |                 |               |
| DOMINION RES INC VA NEW DOMINION RES INCVA NEW 6.000 0% DUE 11-30-2017 BEO CUSIP: 26746UBC2 | 250,000.00       | 249,297.50      | 266,767.00    |
| DU PONT E I DE NEMOURS & CO 6.5 DUE 01-15-2028 REG CUSIP: 2636348G3                         | 200,000.00       | 212,217.60      | 220,020.60    |
| DUKE ENERGY 5.3% DUE 02-15-2040 CUSIP: 26442CAH7                                            | 500,000.00       | 497,865.00      | 480,297.00    |
| EMERSON ELEC CO NT DTD 08/19/2002 8 DUE 09-15-203208-14-2032 BEO CUSIP: 291011AA7           | 200,000.00       | 203,281.26      | 210,702.00    |
| FLORIDA PWR & LT CO NT DTD 04/04/2003 5.625% DUE 04-01-203403-31-2034 BEO CUSIP: 341081EC6  | 250,000.00       | 247,350.48      | 251,096.75    |
| GENERAL ELEC CAP CORP MEDIUM TERM NTS BOOK ENTRY 5.875% DUE 01-14-2038 BEO CUSIP: 36962G3P7 | 1,500,000.00     | 1,450,065.00    | 1,388,824.50  |
| GEORGIA PWR CO 5.65% DUE 03-01-2037 BEO CUSIP: 373234G08                                    | 500,000.00       | 497,795.00      | 500,580.00    |
| GOLDMAN SACHS 6.75% DUE 10-01-2037 CUSIP: 38141GFD1                                         | 700,000.00       | 687,520.00      | 719,520.90    |
| INTL BUSINESS MACHS CORP 5.675 DUE 11-29-2032 BEO CUSIP: 459200BB6                          | 500,000.00       | 536,968.67      | 513,019.00    |
| JPMORGAN CHASE & CO FORMERLY J P MORGAN NT 6.4 DUE 05-15-2038 BEO CUSIP: 466281HF0          | 750,000.00       | 741,345.00      | 825,582.00    |
| MCDONALDS CORP MEDIUM TERM NTS BOOK ENTRY SR NT 6.3% DUE 03-01-2038 CUSIP: 58013MEF7        | 250,000.00       | 258,817.50      | 275,764.25    |
| MERCK & CO INC 6.85% DUE 08-30-2036 CUSIP: 588331AC0                                        | 995,000.00       | 993,029.90      | 1,047,111.13  |
| MIDAMERICAN ENERGY 6.75% DUE 12-30-2031 CUSIP: 58562DAB1                                    | 475,000.00       | 531,704.29      | 531,228.60    |
| MONSANTO CO NEW SR NT 5.5% DUE 08-15-202502-10-2006 CUSIP: 61166WAE1                        | 200,000.00       | 221,948.00      | 198,925.40    |
| MONSANTO CO NEW 5.875% DUE 04-15-2038 BEO CUSIP: 61166WAG6                                  | 600,000.00       | 591,180.00      | 619,752.00    |
| MORGAN STANLEY MORGAN STANLEY DEAN 7.25 DUE 04-01-203204-03-2002 BEO CUSIP: 617448HD4       | 400,000.00       | 468,726.59      | 455,002.00    |
| MORGAN STANLEY 7.3% DUE 05-13-2016 CUSIP: 61747YCG6                                         | 500,000.00       | 499,935.00      | 561,465.00    |
| NATL CY CORP SUB DEB DTD 05/04/1992 6.875 DUE 05-15-2016 BEO CUSIP: 6356405AM9              | 400,000.00       | 459,388.00      | 423,400.40    |

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**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                                                     | Shares/Par Value | Historical Cost | Current Value |
|-----------------------------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <b>Corporate Debt Instruments - Preferred</b>                                                       |                  |                 |               |
| <b>United States - USD</b>                                                                          |                  |                 |               |
| NORTON STS PUR CO 5.35% DUE 11-01-2038<br>CUSIP: 68372CE7                                           | 100,000.00       | 99,810.00       | 96,513.50     |
| ORACLE CORP 6.125% DUE 07-08-2039<br>CUSIP: 68388XAH8                                               | 400,000.00       | 397,336.00      | 420,014.00    |
| PACIFIC BELT 7.125% DUE 02-15-2028<br>CUSIP: 684032AT8                                              | 300,000.00       | 341,619.21      | 326,744.70    |
| PECO ENERGY CO BD 6.05% DUE<br>10-01-2030 08-26-2006 BEO CUSIP: 693304AH8                           | 250,000.00       | 249,232.50      | 258,812.50    |
| PEPSI BOTTLING GROUP INC GTD SR NT 7% DUE<br>03-01-2028 02-28-2029 BEO CUSIP: 713409AC4             | 500,000.00       | 577,659.56      | 584,146.00    |
| PHILIP MORRIS INTL INC 6.375% DUE 05-10-2038 BEO<br>CUSIP: 718112AC3                                | 425,000.00       | 426,751.00      | 459,383.55    |
| PNC BK N A PITT PA MEDIUM TERM SUB TRANCHE # TR 00002<br>4.875 9-21-2017 REG CUSIP: 69346LAC2       | 475,000.00       | 435,247.70      | 449,448.32    |
| PUE SVC CO OF CO C CRP XEL 6.25 DUE 09-01-2037 BEO<br>CUSIP: 744448B28                              | 500,000.00       | 508,795.00      | 546,061.00    |
| PUBLIC SVC ELEC GAS CO SECOD MEDIUM TERM NTS BOOK ENTRY MTN<br>5.8% DUE 05-01-2037 CUSIP: 74458QAR7 | 1,000,000.00     | 999,050.00      | 1,029,002.00  |
| PVTPL KERN RIV FDG CORP SR NT 144A 4.863% DUE<br>04-30-2018 04-30-2005 BEO CUSIP: 48228RAE3         | 101,155.87       | 102,093.44      | 100,902.98    |
| SBC COMMUNICATIONS INC NT 6.15% DUE<br>08-15-2034 09-14-2034 BEO CUSIP: 78387GAC6                   | 450,000.00       | 440,142.12      | 444,826.80    |
| SOUTHERN CALIF EDISON CO REF 1ST MTG SER2008A 5.95% DUE<br>02-01-2038 BEO CUSIP: 84240BTH1          | 500,000.00       | 506,670.00      | 525,261.50    |
| SOUTHN CAL GAS CO SOUTHN CA GAS CO NOTES 45 5.45 DUE<br>04-15-2018 BEO CUSIP: 84243ACDZ             | 300,000.00       | 309,303.60      | 317,511.00    |
| UNITED PARCEL SVC INC SR NT 6.2% DUE<br>01-15-2038 01-15-2006 REG CUSIP: 911312AJ6                  | 500,000.00       | 537,080.00      | 554,322.00    |
| UTD TECHNOLOGIES CORP NT DTD 08/04/1998 6.7 DUE 08-01-2028<br>BEO CUSIP: 913017AT6                  | 300,000.00       | 336,198.00      | 336,231.00    |
| VERIZON COMMUNICATIONS INC NT 6.8% DUE 04-15-2038 BEO<br>CUSIP: 92343VAP9                           | 1,000,000.00     | 1,029,360.00    | 1,108,343.00  |
| VODAFONE GROUP PLC 6.25% DUE 11-30-2032<br>CUSIP: 92857WAB8                                         | 300,000.00       | 304,056.43      | 311,498.70    |
| WACHOVIA CORP NEW 5.5% DUE 08-01-2035<br>CUSIP: 928903AM4                                           | 500,000.00       | 482,355.00      | 441,331.50    |

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**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                                                  | Shares/Par Value | Historical Cost | Current Value |
|--------------------------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <b>Corporate Debt Instruments - Preferred</b>                                                    |                  |                 |               |
| <b>United States - USD</b>                                                                       |                  |                 |               |
| WAL-MART STORES INC BD 5.25% DUE 09-01-2035 REG<br>CUSIP: 931142C87                              | 425,000.00       | 405,131.25      | 417,910.57    |
| WAL-MART STORES INC WALMART 6.2 4 15 36 6.2% DUE 04-15-2028<br>CUSIP: 931142C42                  | 350,000.00       | 353,584.00      | 385,977.90    |
| WELLS FARGO BK 5.85% DUE 08-28-2036<br>CUSIP: 04380VAG3                                          | 500,000.00       | 516,954.40      | 488,016.50    |
| WYETH NT 5.35 DUE 04-01-2037/03-27-2007 BEO<br>CUSIP: 083024AM0                                  | 450,000.00       | 446,944.50      | 469,250.10    |
| <b>Total United States - USD</b>                                                                 |                  | 37,201,108.29   | 37,560,699.08 |
| <b>Total Corporate Debt Instruments - Preferred</b>                                              |                  | 40,843,900.29   | 41,226,036.33 |
| <b>Corporate Debt Instruments - Other</b>                                                        |                  |                 |               |
| <b>Brazil - USD</b>                                                                              |                  |                 |               |
| VALE OVERSEAS LTD 5.825% DUE 09-15-2018<br>CUSIP: 91811TAL2                                      | 330,000.00       | 327,465.60      | 333,210.24    |
| <b>Total Brazil - USD</b>                                                                        |                  | 327,465.60      | 333,210.24    |
| <b>Germany - USD</b>                                                                             |                  |                 |               |
| DEUTSCHE TELEKOM 6% DUE 07-06-2016<br>CUSIP: 25158PAN2                                           | 250,000.00       | 248,427.50      | 266,917.75    |
| <b>Total Germany - USD</b>                                                                       |                  | 248,427.50      | 266,917.75    |
| <b>United Kingdom - USD</b>                                                                      |                  |                 |               |
| PVTPL SYSTEMS 2001 A T LLC SERIES 2001 CLASS-G 144A 6.664<br>DUE 09-15-2013 BEO CUSIP: 87203R2A0 | 79,847.58        | 88,984.63       | 81,685.67     |
| <b>Total United Kingdom - USD</b>                                                                |                  | 88,984.63       | 81,685.67     |
| <b>United States - USD</b>                                                                       |                  |                 |               |
| ANADARKO PETE CORP 6.85% DUE 06-15-2016<br>CUSIP: 082511BF9                                      | 660,000.00       | 652,614.60      | 749,450.56    |
| BURL NORTON SANTA 6.2% DUE 09-15-2036<br>CUSIP: 12188TAX2                                        | 250,000.00       | 256,905.00      | 265,571.75    |

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**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                                                                      | Shares/Par Value | Historical Cost | Current Value |
|------------------------------------------------------------------------------------------------------|------------------|-----------------|---------------|
| <b>Corporate Debt Instruments - Other</b>                                                            |                  |                 |               |
| <b>United States - USD</b>                                                                           |                  |                 |               |
| CENTERPOINT ENERGY 6.125% DUE 11-01-2017<br>CUSIP: 15189WAC4                                         | 105,000.00       | 104,640.90      | 108,489.15    |
| CMO GS MTG SECS TR 2006-GG8 SER 2006-GG8CLASS44 5.68 DUE 11-10-2038 REG<br>CUSIP: 362332A58          | 1,000,000.00     | 1,020,273.44    | 875,544.00    |
| CMO J P MORGAN CHASE COML MTG SECS CORP 2004-C1 CL A-3 4.718% DUE 01-15-2038 REG<br>CUSIP: 46625MVT1 | 500,000.00       | 502,329.50      | 485,872.00    |
| COMCAST CORP NEW 0 DUE 08-15-2037 BEO<br>CUSIP: 26030MAV3                                            | 500,000.00       | 503,500.00      | 544,946.50    |
| CVS CAREMARK CORP SR NT 6.25% DUE 08-01-2027/05-31-2027 REG<br>CUSIP: 126850B38                      | 238,000.00       | 235,824.68      | 242,034.10    |
| GOLDMAN SACHS CAP I 6.345 DUE 02-15-2034 BEO<br>CUSIP: 38143VAA7                                     | 900,000.00       | 904,008.02      | 842,533.10    |
| JPMORGAN CHASE CAP XXII GTD CAP SECS SERV 6.45 DUE 02-02-2037 REG<br>CUSIP: 46128QAA1                | 500,000.00       | 497,960.00      | 458,868.00    |
| KINDER MORGAN 6.5% DUE 08-01-2038<br>CUSIP: 484660BD7                                                | 580,000.00       | 555,060.80      | 564,374.16    |
| KRAFT FOODS INC 6.125% DUE 02-01-2018<br>CUSIP: 50375NAJ8                                            | 155,000.00       | 154,248.25      | 162,989.01    |
| LB-LBS COML MTG TR 4.821% DUE 04-15-2030<br>CUSIP: 62108H3D4                                         | 354,628.86       | 356,392.56      | 355,143.42    |
| LEHMAN BROS HLDGS INC LEHMAN BROTHERS HOLDINGS INC 7.5 6-11-38 BEO DEFAULT<br>CUSIP: 62480B7N4       | 250,000.00       | 248,197.50      | 75.00         |
| LEHMAN INC 7.5 SR SUB MTS DUE 08-01-2028B0 IN DEFAULT<br>CUSIP: 624809AW6                            | 200,000.00       | 232,834.44      | 60.00         |
| PAC GAS & ELEC CO 6.05% DUE 03-01-2034<br>CUSIP: 684308GE1                                           | 500,000.00       | 496,470.00      | 522,017.00    |
| PVTU CMO CR SUISSE COML MTG TR SER 2006-C5 CL H 144A 6.818 12-15-2038 BEO<br>CUSIP: 2264ELAX7        | 308,000.00       | 309,539.61      | 35,771.12     |
| QUEST DIAGNOSTICS 5.75% DUE 01-30-2040<br>CUSIP: 74824LAQ3                                           | 970,000.00       | 943,111.60      | 941,359.78    |
| REPUBLIC SVCS INC 6.5% DUE 09-15-2018<br>CUSIP: 780761AA4                                            | 315,000.00       | 312,747.75      | 319,867.38    |
| SOUTHWEST GAS CORP 7.625% DUE 06-15-2012<br>CUSIP: 84486AS1                                          | 15,000.00        | 14,943.60       | 16,326.18     |

**The Home Insurance Company Retirement Plan**  
**Schedule of Assets (Held at End of Year) - per Schedule H, Line 4i of Form 5500**  
**December 31, 2009**

**Schedule I**

| Security Description / Asset ID                              | Shares/Par Value | Historical Cost | Current Value |
|--------------------------------------------------------------|------------------|-----------------|---------------|
| <b>Corporate Debt Instruments - Other</b>                    |                  |                 |               |
| <b>United States - USD</b>                                   |                  |                 |               |
| WASTE MGMT INC DEL 8.125% DUE 11-30-2038<br>CUSIP: 94108LAV1 | 350,000.00       | 348,131.00      | 347,817.75    |
| <b>Total United States - USD</b>                             |                  | 8,649,733.25    | 7,638,209.96  |
| <b>Total Corporate Debt Instruments - Other</b>              |                  | 9,314,610.98    | 8,520,023.62  |
| <b>Value of Interest in Common/Collective Trusts</b>         |                  |                 |               |
| <b>United States - USD</b>                                   |                  |                 |               |
| COLTV SHORT TERM INVT FD<br>CUSIP: 18582AC3                  | 858,081.62       | 858,081.62      | 858,081.62    |
| <b>Total United States - USD</b>                             |                  | 858,081.62      | 858,081.62    |
| <b>Total Value of Interest in Common/Collective Trusts</b>   |                  | 858,081.62      | 858,081.62    |
| <b>Total</b>                                                 |                  | 10,172,692.60   | 9,378,105.24  |

**Total Investments**

**\$144,584,423**

Note: The investments COLTV Short Term Invt FD represents a party-in-interest

This schedule has been derived from information certified as complete and accurate by The Northern Trust Company.

**The Home Insurance Company Retirement Plan**  
**Schedule of Reportable Transactions per Schedule H, Line 4j of Form 5500**  
**Year Ended December 31, 2009**

**Schedule II**

| <u>Identity of Issue</u>     | <u>Description</u> | <u>Number of Transactions</u> | <u>Cost of Asset</u> | <u>Current Value of Asset</u> | <u>Net Gain or (Loss)</u> |
|------------------------------|--------------------|-------------------------------|----------------------|-------------------------------|---------------------------|
| * The Northern Trust Company |                    |                               |                      |                               |                           |
| Collective Short-Term        |                    |                               |                      |                               |                           |
| Investment Fund              |                    |                               |                      |                               |                           |
| Common/collective trust fund |                    |                               |                      |                               |                           |
| Purchases                    |                    | 106                           | \$11,702,695         | \$11,702,695                  |                           |
| Sales                        |                    | 26                            | 13,625,763           | 13,625,763                    | \$0                       |

\*Denotes party in interest

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