

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 2010 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010	
A This return/report is for:	☒ single-employer plan ☐ multiple-employer plan (not multiemployer) ☐ one-participant plan
B This return/report is for:	☐ first return/report ☐ final return/report ☐ an amended return/report ☐ short plan year return/report (less than 12 months)
C Check box if filing under:	☐ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan PEOPLES BANK PENSION PLAN	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 12/01/1952
2a Plan sponsor's name and address (employer, if for single-employer plan) PEOPLES BANK OF MENDENHALL P. O. BOX 7 MENDENHALL, MS 39114	2b Employer Identification Number (EIN) 64-0220470
	2c Plan sponsor's telephone number 601-847-2210
	2d Business code (see instructions) 522110
3a Plan administrator's name and address (if same as Plan sponsor, enter "Same") PEOPLES BANK OF MENDENHALL P. O. BOX 7 MENDENHALL, MS 39114	3b Administrator's EIN 64-0220470
	3c Administrator's telephone number 601-847-2210
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. Sponsor's name	4b EIN 4c PN
5a Total number of participants at the beginning of the plan year	5a 59
b Total number of participants at the end of the plan year	5b 59
c Total number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	5c
6a Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)	☒ Yes ☐ No
b Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)	☒ Yes ☐ No
If you answered "No" to either 6a or 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.	

Part III	Financial Information
7 Plan Assets and Liabilities	
a Total plan assets	7a (a) Beginning of Year 2365456 (b) End of Year 2776855
b Total plan liabilities	7b 0
c Net plan assets (subtract line 7b from line 7a)	7c 2365456 2776855
8 Income, Expenses, and Transfers for this Plan Year	
a Contributions received or receivable from:	(a) Amount (b) Total
(1) Employers	8a(1) 137993
(2) Participants	8a(2)
(3) Others (including rollovers)	8a(3)
b Other income (loss)	8b 302393
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c 440386
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d 28213
e Certain deemed and/or corrective distributions (see instructions)	8e
f Administrative service providers (salaries, fees, commissions)	8f 774
g Other expenses	8g
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h 28987
i Net income (loss) (subtract line 8h from line 8c)	8i 411399
j Transfers to (from) the plan (see instructions)	8j

Part IV Plan Characteristics**9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

1A 1G 1I 3D

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

10 During the plan year:		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)		X	
b	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)		X	
c	Was the plan covered by a fidelity bond?		X	
d	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
e	Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)		X	
f	Has the plan failed to provide any benefit when due under the plan?		X	
g	Did the plan have any participant loans? (If "Yes," enter amount as of year end.)		X	
h	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
i	If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3			

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500))..... ☒ Yes ☐ No

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? .. ☐ Yes ☒ No
(If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)

a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year.....	12b	
c Enter the amount contributed by the employer to the plan for this plan year.....	12c	
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d	

e Will the minimum funding amount reported on line 12d be met by the funding deadline?..... ☐ Yes ☐ No ☐ N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted during the plan year or any prior year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a** _____

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☒ No

c 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.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	06/17/2011	DENNIS AMMANN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department 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 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **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 <u>PEOPLES BANK PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>PEOPLES BANK OF MENDENHALL</u>	D Employer Identification Number (EIN) <u>64-0220470</u>
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 <u>01</u> Day <u>01</u> Year <u>2010</u>	
2 Assets:	
a Market value	2a <u>2365456</u>
b Actuarial value	2b <u>2476268</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>4</u> <u>239250</u>
b For terminated vested participants	3b <u>12</u> <u>379774</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>0</u>
(2) Vested benefits	3c(2) <u>2341075</u>
(3) Total active	3c(3) <u>43</u> <u>2341075</u>
d Total	3d <u>59</u> <u>2960099</u>
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 <u>6.27</u> %
6 Target normal cost	6 <u>0</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.

SIGN HERE	<u>06/07/2011</u>
Signature of actuary	Date
<u>MICHAEL E. BRISTER, F.S.A.</u>	<u>11-03861</u>
Type or print name of actuary	Most recent enrollment number
<u>BRYAN, PENDLETON SWATS & MCALLISTER</u>	<u>601-984-8962</u>
Firm name	Telephone number (including area code)
<u>SUITE 266 HIGHLAND VILLAGE</u> <u>4500 I-55 NORTH</u> <u>JACKSON, MS 39211</u>	
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) 2010
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)	55032	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).....	55032	0
10	Interest on item 9 using prior year's actual return of <u>20.35</u> %	11199	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		64566
b	Interest on (a) using prior year's effective rate of <u>6.24</u> %		4029
c	Total available at beginning of current plan year to add to prefunding balance		68595
d	Portion of (c) to be added to prefunding balance.....		
12	Reduction in balances due to elections or deemed elections.....		
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12).....	66231	0

Part III	Funding percentages		
14	Funding target attainment percentage.....	14	81.41 %
15	Adjusted funding target attainment percentage.....	15	81.41 %
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	%
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 (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)
04/06/2010	32039		
07/12/2010	32039		
10/12/2010	32039		
12/13/2010	1266		
12/30/2010	40610		
Totals ►		18(b)	137993
		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	
b	Contributions made to avoid restrictions adjusted to valuation date	19b	
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	132546
20 Quarterly contributions and liquidity shortfalls:			
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No			
b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ 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
0	0	0	0

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

21 Discount rate:				
a Segment rates:	1st segment: 4.60 %	2nd segment: 6.65 %	3rd segment: 6.76 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 0
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous items

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

Part VII Reconciliation of unpaid minimum required contributions for prior years

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

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions).....	31	0
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	431658	91637
b Waiver amortization installment		
33 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	33	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33).....	34	91637
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35).....	36	91637
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	132546
38 Interest-adjusted excess contributions for current year (see instructions).....	38	40909
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37).....	39	0
40 Unpaid minimum required contribution for all years	40	0

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	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 2010 This Form is Open to Public Inspection
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For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

► **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 Peoples Bank Pension Plan	B Three-digit plan number (PN) ► <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Peoples Bank of Mendenhall	D Employer Identification Number (EIN) 64-0220470
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 <u>1</u> Day <u>1</u> Year <u>2010</u>		
2	Assets:		
	a Market value.....	2a	2,365,456
	b Actuarial value.....	2b	2,476,268
3	Funding target/participant count breakdown	(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment.....	3a	239,250
	b For terminated vested participants.....	3b	379,774
	c For active participants:		
	(1) Non-vested benefits.....	3c(1)	0
	(2) Vested benefits.....	3c(2)	2,341,075
	(3) Total active.....	3c(3)	2,341,075
	d Total.....	3d	2,960,099
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	6.27 %
6	Target normal cost.....	6	0

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	<div style="text-align: center; font-size: 1.2em; margin-bottom: 10px;">MEB</div> <div style="text-align: center;">Signature of actuary</div> <hr/> Michael E. Brister, F.S.A. <div style="text-align: center;">Type or print name of actuary</div> <hr/> Bryan, Pendleton Swats & McAllister <div style="text-align: center;">Firm name</div> <hr/> Suite 266 Highland Village 4500 I-55 North Jackson, MS 39211 <div style="text-align: center;">Address of the firm</div>	<div style="text-align: center;">06/07/2011</div> <div style="text-align: center;">Date</div> <hr/> 11-03861 <div style="text-align: center;">Most recent enrollment number</div> <hr/> (601) 984-8962 <div style="text-align: center;">Telephone number (including area code)</div>
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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 ☐

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)	55,032	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)	55,032	0
10	Interest on item 9 using prior year's actual return of <u>20.35</u> %	11,199	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		64,566
b	Interest on (a) using prior year's effective rate of <u>6.24</u> %		4,029
c	Total available at beginning of current plan year to add to prefunding balance		68,595
d	Portion of (c) to be added to prefunding balance		
12	Reduction in balances due to elections or deemed elections		
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	66,231	0

Part III	Funding percentages		
14	Funding target attainment percentage	14	81.41 %
15	Adjusted funding target attainment percentage	15	81.41 %
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	%
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 (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/06/2010	32,039				
07/12/2010	32,039				
10/12/2010	32,039				
12/13/2010	1,266				
12/30/2010	40,610				
			Totals ▶	18(b)	137,993
				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	
b Contributions made to avoid restrictions adjusted to valuation date	19b	
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	132,546

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ 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
0	0	0	0

Part V Assumptions used to determine funding target and target normal cost**21** Discount rate:**a** Segment rates:1st segment:
4.60 %2nd segment:
6.65 %3rd segment:
6.76 %☐ N/A, full yield curve used**b** Applicable month (enter code)**21b**

0

22 Weighted average retirement age**22**

65

23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute**Part VI Miscellaneous items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment. **27****Part VII Reconciliation of unpaid minimum required contributions for prior years****28** Unpaid minimum required contribution for all prior years**28**

0

29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)**29****30** Remaining amount of unpaid minimum required contributions (item 28 minus item 29)**30**

0

Part VIII Minimum required contribution for current year**31** Target normal cost, adjusted, if applicable (see instructions)**31**

0

32 Amortization installments:

Outstanding Balance

Installment

a Net shortfall amortization installment

431,658

91,637

b Waiver amortization installment**33** 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**33****34** Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)**34**

91,637

Carryover balance

Prefunding balance

Total balance

35 Balances used to offset funding requirement

0

0

0

36 Additional cash requirement (item 34 minus item 35)**36**

91,637

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)**37**

132,546

38 Interest-adjusted excess contributions for current year (see instructions)**38**

40,909

39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)**39**

0

40 Unpaid minimum required contribution for all years**40**

0

Plan Name: Peoples Bank Pension Plan
Plan Year: 2010
EIN/PN: 64-0220470/001

Schedule SB, Line 19 - Discounted Employer Contributions

Employer Contributions	Date	Year Applied	Effective Rate	Discounted Value
32,039	04/06/2010	2010	6.27%	31,536
32,039	07/12/2010	2010	6.27%	31,030
32,039	10/12/2010	2010	6.27%	30,558
1,266	12/13/2010	2010	6.27%	1,195
40,610	12/30/2010	2010	6.27%	38,227
<u>137,993</u>				<u>132,546</u>

Schedule SB, Line 22 - Description of Weighted Average Retirement Age

(1)		(2)	(1) X (2)
Age	Rates	Number Active	Number Retiring
		100	
<65	0.00%	100.0000	0.0000
=65	100.00%	0.0000	100.0000
		Average	<u>65</u>

Schedule SB, line 32 - Schedule of Shortfall Amortization Bases

Present Value	Initial Year	Years Remaining	Amortization Installment
\$ 220,587	2008	5	\$ 48,172
382,433	2009	6	72,104
(171,361)	2010	7	(28,639)
<u>\$ 431,659</u>			<u>\$ 91,637</u>

Schedule SB, Line 26 - Schedule of Active Participant Data
Plan Name: Peoples Bank Pension Plan

Plan Year: 2010
EIN/PN: 64-0220470/001

AGE GROUP	YEARS OF SERVICE									
	Under 1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35 - 39	40 - UP
1 - 24	Number	0	0	0	0	0	0	0	0	0
	Avg Bnft*	0	0	0	0	0	0	0	0	0
25 - 29	Number	0	0	1	0	0	0	0	0	0
	Avg Bnft*	0	0	N/A	0	0	0	0	0	0
30 - 34	Number	0	0	2	0	0	0	0	0	0
	Avg Bnft*	0	0	N/A	0	0	0	0	0	0
35 - 39	Number	0	0	1	1	0	0	0	0	0
	Avg Bnft*	0	0	N/A	N/A	0	0	0	0	0
40 - 44	Number	0	0	3	4	2	0	0	0	0
	Avg Bnft*	0	0	N/A	N/A	N/A	0	0	0	0
45 - 49	Number	0	0	2	3	0	2	0	0	0
	Avg Bnft*	0	0	N/A	N/A	0	N/A	0	0	0
50 - 54	Number	0	0	1	3	3	0	1	0	0
	Avg Bnft*	0	0	N/A	N/A	N/A	0	N/A	0	0
55 - 59	Number	0	0	0	1	1	0	0	1	0
	Avg Bnft*	0	0	0	N/A	N/A	0	0	N/A	0
60 - 64	Number	0	0	1	2	1	1	1	1	1
	Avg Bnft*	0	0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
65 - 69	Number	0	0	0	1	0	0	0	0	0
	Avg Bnft*	0	0	0	N/A	0	0	0	0	0
70 - UP	Number	0	0	0	0	0	0	0	0	0
	Avg Bnft*	0	0	0	0	0	0	0	0	0

* Average compensation is omitted for cells with fewer than 20 participants.

PEOPLES BANK

BASIS OF VALUATION

Summary of Provisions of the Plan

Covered Employees

Any person who is employed by Peoples Bank of Mendenhall, other than an employee who is a member of a collective bargaining unit or a leased employee, is eligible to participate. Eligible employees can become a participant in the plan on the January 1 nearest the date he has both completed 1 year of service and attained age 21. Plan is closed to new participants for entry dates after December 31, 2006.

Definitions

Vesting Service:	Plan Year during which an employee completes 1,000 hours of service, subject to certain break in service rules.
Credited Service:	Plan Year during which an employee completes 1,000 hours of service, subject to certain break in service rules. A full year is credited for the short plan year beginning December 1, 1980 and ending December 31, 1980, if at least one hour was worked during that period. Service after December 31, 2006 is not taken into account.
Normal Retirement Date:	The first day of the month coincident with or following attainment of age 65 or the 5 th anniversary of date his participation began, if later.
Early Retirement Date:	A participant may retire early after attaining age 55 and completing 10 years of vesting service while in the service of the employer.
Compensation:	A participant's compensation, for purposes of the plan, shall mean his total earnings, including bonuses and overtime pay.
Average Compensation:	Average of a participant's compensation for the 5 consecutive years which produce the highest average. Compensation after December 31, 2006 is not taken into account.
Covered Compensation	Amount of compensation in which old-age and survivor's insurance benefits would be provided for him under the Social Security Act, as in effect on his date of termination, if his earnings each year until the Social Security retirement age were equal to the taxable wage base.

BASIS OF VALUATION**Summary of Provisions of the Plan**

Annual Benefits Paid Upon the Following Events

Normal Retirement Benefit:	<p>Monthly benefit equal to 1/12 of the following:</p> <p>(i) .75% of average compensation multiplied by total years of credited service not in excess of 35</p> <p>plus</p> <p>(ii) .585% of average compensation in excess of covered compensation multiplied by years of credited service not in excess of 35.</p> <p><i>plus</i></p> <p>(iii) .75% of calendar year 2000 compensation times years of credited service as of December 31, 2000.</p> <p>The normal retirement benefit will not be greater than the accrued benefit determined as of December 31, 2006.</p>
Accrued Benefit:	Monthly benefit computed in the same manner as the normal retirement benefit but using service and compensation as of the determination date.
Termination Benefit:	A participant with at least 5 Years of Vesting Service has a 100% non-forfeitable right to his or her Accrued Benefit.
Early Retirement Benefit:	Accrued Benefit as of early retirement date that is reduced to recognize the fact that payments will begin early and will be payable over a longer period of time.
Delayed Retirement	<p>The benefit, commencing on the first day of the month following the participant's actual date of retirement, is calculated in the same manner as the normal retirement benefit but including compensation and service since his normal retirement date.</p> <p>However, the benefit will not be less than the actuarial equivalent of the benefit he could have received as of the first day of the prior plan year, or normal retirement date, if later.</p>

BASIS OF VALUATION**Summary of Provisions of the Plan**

Disability Benefit	Accrued Benefit, payable at the participant's normal retirement age, determined at time of disability.
Death Benefit	In the event of the death of a participant after becoming eligible for a deferred vested benefit and (i) while still actively employed by the employer, or (ii) after terminating employment but before benefit payments begin a survivorship benefit shall be payable to the participant's surviving spouse. The amount of the participant's accrued benefit shall be payable to the beneficiary as a single sum.
Forms of Payment	
Normal Form:	Monthly annuity payable for life with 120 months certain. If married for more than 1 year at the time benefits commence, the annuity will be actuarially adjusted and paid out as a 50% joint and survivor annuity.
Optional Forms	Joint and Survivor annuity with 50%, 75% or 100% continued to beneficiary. Life annuity with 0, 60 or 120 monthly payments guaranteed. Lump Sum.

BASIS OF VALUATION**Summary of Actuarial Assumptions and Methods**

	AGE			
	20	35	50	60
<u>Mortality Rates</u>				
Target Liability				
IRS 2010 Combined Static Mortality Table Male	0.021%	0.068%	0.147%	0.493%
IRS 2010 Combined Static Mortality Table Female	0.013%	0.036%	0.113%	0.457%
<u>Lump Sum Benefits</u>				
2010 Applicable Mortality Table	0.017%	0.052%	0.130%	0.475%
<u>Withdrawal Rates</u>				
1st Year Select	34.20%	32.93%	27.70%	21.94%
2nd Year Select	14.08%	13.74%	12.30%	10.59%
Ultimate	10.56%	5.98%	3.84%	3.13%
<u>Salary Scale (Sy+1/Sy)</u>				
Not Applicable				
<u>Disability Rates</u>				
None				
<u>Assumed Rates of Retirement</u>				
At normal retirement date				
<u>Rate of Investment Return</u>				
	Years	Segment 1 0 to 5	Segment 2 5 to 20	Segment 3 Over 20
Per annum for Target Liability & Lump Sums		4.60%	6.65%	6.76%
Effective Interest Rate		6.27%	6.27%	6.27%
PBGC Premium Funding Target		4.60%	6.65%	6.76%
7.50% per annum for FAS 35				
<u>Social Security Projection Rate</u>				
Wage base and cost of living escalation at 3.5% per annum				
<u>Provision for Expenses</u>				
None, paid separately by employer				
<u>Optional Form of Payment</u>				
100% elect lump sum payment				

BASIS OF VALUATION**Summary of Actuarial Methods****Actuarial Cost Method**

All liabilities and normal costs shown in this report are calculated based on the Traditional Unit Credit method as described in IRC Section 430 and relevant proposed regulations. This method is prescribed for funding, PBGC, and SFAS No. 35 calculations.

Under the Traditional Unit Credit method, the liability is the present value of all benefits that have been accrued or earned under the plan as of the first day of the plan year. The normal cost is the present value of all benefits that are expected to accrue or be earned during the plan year, including any expected increase in compensation during the year.

Asset Valuation Method

The actuarial value of assets is equal to the average of the market value of assets as of the valuation date and the adjusted market value of assets for the prior two years. The adjusted market value of assets as of a prior determination date is the market value of assets as of that date adjusted for contributions, benefit payments, expenses, and expected earnings for periods after the determination date but prior to the current valuation date. In no event will the actuarial value of assets be less than 90%, or greater than 110% of the current market value of assets.

Miscellaneous

The interest rates used for funding purposes are based on the rates in effect for the month containing the valuation date of the plan year and do not reflect the optional phase-in of rates used under the prior law.

The limitations under IRC Sections 401(a)(17) and 415(b) have been taken into account in our calculations. Any actual or potential limitations under IRC Section 436 have not been taken into account for any purpose.

To the best of our knowledge, all benefits payable from the plan, including retirement-type and ancillary benefits have been incorporated into our calculations.

No liability is included for participants who terminated without vested benefits prior to the first day of the plan year. No liability is included for any employees who are not yet participants

BASIS OF VALUATION

Changes in Assumptions, Methods and Plan Provisions

I. Changes in Assumptions

No change other than for prescribed assumptions.

II. Changes in Methods

None

III. Changes in Plan Provisions

None

ATTACHMENT TO SCHEDULE SB (FORM 5500)

ITEM 19: Discounted Employer Contributions

The “Item 19: Discounted Employer Contributions” is included in the Schedule SB Attachment “SchSB signed.pdf”

ATTACHMENT TO SCHEDULE SB (FORM 5500)

ITEM 22: Description of Weighted Average Retirement Age

The “Item 22: Description of Weighted Average Retirement Age” is included in the Schedule SB Attachment “SchSB signed.pdf”

ATTACHMENT TO SCHEDULE SB (FORM 5500)

PART V, ITEM 23: Statement of Actuarial Assumptions/Methods

The “Part V, Item 23: Statement of Actuarial Assumptions/Methods” is included in the Schedule SB Attachment “SchSB signed.pdf”

ATTACHMENT TO SCHEDULE SB (FORM 5500)

Part V: Summary of Plan Provisions

The “Part V: Summary of Plan Provisions” is included in the Schedule SB Attachment “SchSB signed.pdf”

ATTACHMENT TO SCHEDULE SB (FORM 5500)

ITEM 26: Schedule of Active Participant Data

The “Item 26: Schedule of Active Participant Data” is included in the Schedule SB Attachment “SchSB signed.pdf”

ATTACHMENT TO SCHEDULE SB (FORM 5500)

ITEM 32: Schedule of Amortization Bases

The “Item 32: Schedule of Amortization Bases” is included in the Schedule SB Attachment “SchSB signed.pdf”