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.

2010

OMB Nos. 1210-0110 1210-0089

This Form is Open to Public Inspection

| | art I Annual Report Identification Information | | | | |
|-----|--|--------------|-------------------------------------|------------|---|
| For | calendar plan year 2010 or fiscal plan year beginning 01/01/2010 |) | and ending | 12/31/2 | 2010 |
| Α | This return/report is for: single-employer plan | multiple-e | employer plan (not multiemployer) | | one-participant plan |
| В | This return/report is for: first return/report | final retur | n/report | | |
| | an amended return/report | short plar | year return/report (less than 12 mo | onths) | |
| С | Check box if filing under: | automatic | extension | | DFVC program |
| | special extension (enter description | | | | |
| Pa | art II Basic Plan Information—enter all requested informa | , | | | |
| | Name of plan | 20011 | | 1b | Three-digit |
| | ACE GROUP, INC. | | | | plan number 001 |
| | | | | | (PN) • |
| | | | | 1c | Effective date of plan 09/01/1996 |
| 22 | Plan sponsor's name and address (employer, if for single-employer | nlan) | | 2h | Employer Identification Number |
| | ACE GROUP, INC. | piai i) | | 20 | (EIN) 13-3572869 |
| | | | | 2c | Plan sponsor's telephone number |
| | NEST 27TH STREET YORK, NY 10001 | | | 0-1 | 212-255-7846 |
| | | | | 2 a | Business code (see instructions) 541990 |
| 3a | Plan administrator's name and address (if same as Plan sponsor, er | nter "Same | e") | 3b | Administrator's EIN |
| THE | ACE GROUP, INC. 149 WEST 27 NEW YORK. | 7TH STRE | ET | | 13-3572869 |
| | | | | 3c | Administrator's telephone number 212-255-7846 |
| 4 1 | f the name and/or EIN of the plan sponsor has changed since the las | st return/re | port filed for this plan, enter the | 4h | EIN |
| | name, EIN, and the plan number from the last return/report. Sponsor | | F | | |
| | | | | 4c | |
| | Total number of participants at the beginning of the plan year | | | | 26 |
| b | Total number of participants at the end of the plan year | | | 5b | 22 |
| С | Total number of participants with account balances as of the end of complete this item) | | • | 5c | 22 |
| 6a | Were all of the plan's assets during the plan year invested in eligible | e assets? | (See instructions.) | | Yes No |
| b | Are you claiming a waiver of the annual examination and report of a | | | | X Vac II Na |
| | under 29 CFR 2520.104-46? (See instructions on waiver eligibility a If you answered "No" to either 6a or 6b, the plan cannot use Fo | | • | | Yes No |
| Pa | rt III Financial Information | 7111 3300- | or and must misteau use i orm s | | |
| 7 | Plan Assets and Liabilities | | (a) Beginning of Year | | (b) End of Year |
| а | Total plan assets | 7a | 190143 | 9 | 2038396 |
| b | Total plan liabilities | 7b | | 0 | 0 |
| С | Net plan assets (subtract line 7b from line 7a) | 7c | 190143 | 9 | 2038396 |
| 8 | Income, Expenses, and Transfers for this Plan Year | | (a) Amount | | (b) Total |
| а | Contributions received or receivable from: | | ,, | 0 | |
| | (1) Employers | 8a(1) | | | |
| | (2) Participants | 8a(2) | 6481 | | |
| _ | (3) Others (including rollovers) | 8a(3) | 34992 | | |
| b | Other income (loss) | 8b | 12701 | 0 | F44740 |
| C | Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) | 8c | | | 541746 |
| d | Benefits paid (including direct rollovers and insurance premiums to provide benefits) | 8d | 26091 | 8 | |
| е | Certain deemed and/or corrective distributions (see instructions) | 8e | 2237 | 6 | |
| f | Administrative service providers (salaries, fees, commissions) | 8f | 149 | 5 | |
| g | Other expenses | 8g | 12000 | 0 | |
| h | Total expenses (add lines 8d, 8e, 8f, and 8g) | 8h | | | 404789 |
| i | Net income (loss) (subtract line 8h from line 8c) | 8i | | | 136957 |
| i | Transfers to (from) the plan (see instructions) | Ωi | | 0 | |

| | F | orm 5500-SF 2010 Page 2- | | | | |
|------|------------|---|---------|---------|------------|-----------------|
| Par | t IV | Plan Characteristics | | | | |
| 9a | | plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Char 2F 2G 2J 3D | acteris | stic Co | des in the | e instructions: |
| b | If the | plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Chara | acteris | tic Cod | des in the | instructions: |
| Part | : V | Compliance Questions | | | | |
| 10 | Durir | ng the plan year: | | Yes | No | Amount |
| а | | there a failure to transmit to the plan any participant contributions within the time period described in CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program) | 10a | | X | 0 |
| b | | e there any nonexempt transactions with any party-in-interest? (Do not include transactions reported ne 10a.) | 10b | | X | 0 |
| С | Was | s the plan covered by a fidelity bond? | 10c | X | | 200000 |
| d | | he plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud shonesty? | 10d | | X | 0 |
| е | insur | e any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, rance service or other organization that provides some or all of the benefits under the plan? (See uctions.) | 10e | X | | 25002 |
| f | Has | the plan failed to provide any benefit when due under the plan? | 10f | | X | 0 |
| g | Did t | he plan have any participant loans? (If "Yes," enter amount as of year end.) | 10g | X | | 4033 |
| h | | s is an individual account plan, was there a blackout period? (See instructions and 29 CFR 0.101-3.) | 10h | | X | |
| i | | h was answered "Yes," check the box if you either provided the required notice or one of the ptions to providing the notice applied under 29 CFR 2520.101-3 | 10i | | X | |
| Part | VI | Pension Funding Compliance | | | | |
| 11 | | s a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and com | | | | |
| 12 | Is th | is a defined contribution plan subject to the minimum funding requirements of section 412 of the Code | or se | ction 3 | 302 of ER | ISA? Yes X No |

| 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 | to line 13. | |
| b Enter the minimum required contribution for this plan year | 12b | 0 |
| C Enter the amount contributed by the employer to the plan for this plan year | 12c | O |
| d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign negative amount) | | C |
| e Will the minimum funding amount reported on line 12d be met by the funding deadline? | T T | Yes No No N/A |

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

| 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 X No |
| | If "Yes," enter the amount of any plan assets that reverted to the employer this year | 13a | 0 |
| b | Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the co | ontrol | |

of the PBGC?

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.)

(If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable.)

| which assets of habilities were transferred. (See instructions.) | | |
|--|----------------------|---------------------|
| 13c(1) Name of plan(s): | 13c(2) EIN(s) | 13c(3) PN(s) |
| | | |

Yes X No

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 | Filed with authorized/valid electronic signature. | 08/18/2011 | JAMES CONSOLATI |
|------|---|------------|--|
| HERE | 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 |

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

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OMB Nos. 1210-0110 1210-0089

2010

This Form is Open to Public Inspection

| _ | Complete all entri | es in accordance | with the instructions to the Form 55 | 00-SF | i. | spection |
|---------|--|---|--|-------------|---|------------------------|
| L | Part I Annual Report Identification Inform | nation | | | | |
| | or calendar plan year 2010 or fiscal plan year beginning | 17172010 |) and ending | | 12/31/2010 | |
| _ | A This return/report is for: | ∐ multip | le-employer plan (not multiemployer) | | one-participa | ant plan |
| E | This return/report is for: | اسنا | eturn/report | | | |
| | an amended return/re | port short | olan year return/report (less than 12 m | onths) | | |
| C | Check box if filing under: | autom | atic extension | | DFVC progra | am |
| | special extension (enter | | | | | |
| | Part II Basic Plan Information—enter all reque | sted information | | · | | |
| 1 | a Name of plan | | | 1b | Three-digit | |
| | The Ace Group, Inc. | | | | plan number | 001 |
| | | | | 10 | (PN) • | |
| | | | | 16 | Effective date of 9/1/ | r plan 1996 |
| 2 | a Plan sponsor's name and address (employer, if for single | e-employer plan) | | 2b | Employer Identif | |
| | The Ace Group, Inc. | | | | (EIN) 13 | 33572869 |
| | | | | 2c | Plan sponsor's to | |
| | | | | 2d | Business code (s | 557846 |
| | 149 West 27th Street | | | -4 | 54 | 1990 |
| | N | | | | | |
| | New York | | | | | |
| | NY | | | | | |
| | 10001 | | | | | |
| | 1000 (| | | | | |
| | | | | | | |
| 3a | Plan administrator's name and address (if same as Plan s | sponsor, enter "Sar | ne") | 3b | Administrator's E | IN |
| _ | The Ace Group, Inc. | | | | 133572 | 2869 |
| | The Ace Gloup, Inc. | | The state of the s | 3с | Administrator's te 212255 | lephone number 7846 |
| | | | Ţ | ····· | 2.2200 | 7 0 40 |
| - | 49 West 27th Street | | | | | |
| | | | | | | |
| ١ | lew York | | | | | |
| Ņ | 1 Y | | | | | |
| | | | | | | |
| 1 | 0001 | | | | | |
| 4 | the name and/or EIN of the plan sponsor has changed sin | an the lest set set | | | | |
| | name, EIN, and the plan number from the last return/report. | . Sponsor's name | eport filed for this plan, enter the | 4b [| EIN | |
| | | • | | 4c F | PN | |
| 52 | Total number of audicinants of the basis of | | | | | |
| h | Total number of participants at the beginning of the plan ye | ear | | 5a | 26 | 3 |
| ٠ | Total number of participants at the end of the plan year | *************************************** | , | 5b | 22 | |
| C | Total number of participants with account balances as of the complete this item) | he end of the plan | /ear (defined benefit plans do not | E | 22 |) |
| 3a | Were all of the plan's assets during the plan year invested | Lin giigible escate? | (Continue of the continue of t | 5c | | |
| IJ | Are you claiming a waiver of the annual examination and re | anart of an Indones | dont avalitinal muhita anamus vi sama | | | Yes No |
| | under 25 CFR 2520. 104-467 (See instructions on waiver e | ligibility and conditi | ons.) | | • | Yes No |
| | If you answered "No" to either 6a or 6b, the plan cannot III Financial Information | ot use Form 5500- | SF and must instead use Form 5500 |). | | |
| | | <u> </u> | | | | |
| | Plan Assets and Liabilities | | (a) Beginning of Year | | (b) End of | Year |
| | Total plan assets | | 1901439 | | | 2038396 |
| | Total plan liabilities | | 0 | | | 0 |
| С | Net plan assets (subtract line 7b from line 7a) | 7c | 1901439 | | 10.70 | 2038396 |

| 8 a | Income, Expenses, and Transfers for this Plan Year Contributions received or receivable from: | | (a) Amount | | | | (b) Total |
|-----------|---|--|---|----------------|---|---------------------|--|
| | (1) Employers | 8a(1) | | | 0 | | |
| | (2) Participants | | | 6481 | | | |
| | (3) Others (including rollovers) | | | 4992 | | | |
| b | | | | 2701 | | | |
| C | Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) | 8c | | | <u> </u> | | 541746 |
| d | Benefits paid (including direct rollovers and insurance premiums | | | | _ | | 341740 |
| e | to provide benefits) | 8d | | 6091 | | | |
| f | Certain deemed and/or corrective distributions (see instructions) | 8e | | 2237 | | | |
| g | Administrative service providers (salaries, fees, commissions) | 8f | | 149 | | | |
| y h | Other expenses (add lines add to 25 and 2 b | 8g | 12 | 2000 | 0 | | |
| í | Total expenses (add lines 8d, 8e, 8f, and 8g) | 8h | | | | | 404789 |
| i | Net income (loss) (subtract line 8h from line 8c) | 8i | | | | | 136957 |
| , | The second to (nom) the plan (see madedons) | 8j | | (|) | | |
| Pa | rt IV Plan Characteristics | ······································ | | ,, | | · | |
| b | If the plan provides pension benefits, enter the applicable pension for the 2E 2F 2G 2J 3D. If the plan provides welfare benefits, enter the applicable welfare feature. | | | | | | |
| Par | t V Compliance Questions | | | | *************************************** | | ************************************** |
| 10 | During the plan year: | | | | Yes | No | Amount |
| а | Was there a failure to transmit to the plan any participant contribution 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiducions) | ons within the ti | me period described in | 10a | | X | |
| b | Were there any nonexempt transactions with any party-in-interest? on line 10a.) | (Do not include | transactions reported | 10b | | X | 0 |
| С | Was the plan covered by a fidelity bond? | | | 10c | \ | \rightarrow | 0 |
| đ | Did the plan have a loss, whether or not reimbursed by the plan's fid or dishonesty? | felity bond tha | was caused by feared | | X | | 200000 |
| е | Were any fees or commissions paid to any brokers, agents, or other insurance service or other organization that provides some or all of t instructions.) | persons by an | insurance carrier, | 10d | X | × | 25002 |
| f | Has the plan failed to provide any benefit when due under the plan? | | | | | | 25002 |
| g | Did the plan have any participant loans? (If "Yes," enter amount as o | | } | 10f | | \times | 0 |
| _ | If this is an individual account plan, was there a blackout period? (Se | e instructions : | and 29 CER | 10g | X | | 4033 |
| i | 2520.101-3.) | | | 10h | | $\times \downarrow$ | |
| | exceptions to providing the notice applied under 29 CFR 2520.101-3 | equired notice | or one of the | 10i | | | |
| Part ' | | | | 101 | | | |
| 11 | Is this a defined benefit plan subject to minimum funding requirement | 's? (If "Vac * ee | e instructions and some | J-4- C | | | / PP |
| | 5500)) | ->1 (ii 165, 56 | e instructions and comp | nete S | cnedu | ie SB (| (Form |
| 12 | is this a defined contribution plan subject to the minimum funding req | uirements of s | ection 412 of the Code of | or sec | tion 30 | 2 of F | RISA? Yes X No |
| _ | (If "Yes," complete 12a or 12b, 12c, 12d, and 12e below, as applicable | e.) | | | | | |
| at | If a waiver of the minimum funding standard for a prior year is being a granting the waiver. | mortized in this | s plan year, see instructi | ions. a | and en | ter the | date of the letter ruling |
| | ou completed line 12a, complete lines 3, 9, and 10 of Schedule Mi | | | | | | |
| b | Enter the minimum required contribution for this plan year | D (1 01111 3300) | , and skip to line 13. | | | 2b | |
| C E | Enter the amount contributed by the employer to the plan for this plan | | *************************************** | | · - | | |
| Q S | Subtract the amount in line 12c from the amount in line 12b. Enter the regative amount) | result (enter a | minus sign to the left of | _ | | 2c 2d | |
| e v | Vill the minimum funding amount reported on line 12d be met by the fi | unding dandt | ~? | ******* | L | | у. П. П. |
| art V | II Plan Terminations and Transfers of Assets | anding deadin | J f | ••••••• | • • • • • • • • • • | <u> Ц</u> | Yes No N/A |
| | 1 | | | | | | |
| : | las a resolution to terminate the plan been adopted during the plan ye | ear or any prior | year? | | | | Yes X No |
| b v | "Yes," enter the amount of any plan assets that reverted to the emplo | oyer this year | | | 1: | За | • |
| - 0 | Vere all the plan assets distributed to participants or beneficiaries, trar f the PBGC? | isterred to ano | ther plan, or brought und | der the | e contr | ol. | T voo V No |

| Caution | n: A penalty for the late or incomplete filing of this return/r | eport will be assesse | d unless reasonable cause is established |
|--------------|--|--------------------------|--|
| SB or Si | enalties of periury and other penalties set forth in the instruction | on I declare that I have | re examined this return/report, including, if applicable, a Schedule ersion of this return/report, and to the best of my knowledge and |
| SIGN HERE | Signature of pian administrator | 8/17/7011 Date | Enter name of Individual signing as plan administrator |
| SIGN HERE | Claud | | Error name orpindividual signing as plan administrator |
| | Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor |