

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 GROUP PENSION PLAN FOR EMPLOYEES OF MANUFACTURERS AND MERCHANTS MUTUAL INSURANCE COMPANY OF NEW HAMPSHIRE	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 01/01/1965
2a Plan sponsor's name and address (employer, if for single-employer plan) PHENIX MUTUAL FIRE INSURANCE CO 42 PLEASANT STREET CONCORD, NH 03301	2b Employer Identification Number (EIN) 02-0178290
	2c Plan sponsor's telephone number 603-225-2773
	2d Business code (see instructions) 524140
3a Plan administrator's name and address (if same as Plan sponsor, enter "Same") PHENIX MUTUAL FIRE INSURANCE CO 42 PLEASANT STREET CONCORD, NH 03301	3b Administrator's EIN 02-0178290
	3c Administrator's telephone number 603-225-2773
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 49
b Total number of participants at the end of the plan year	5b 47
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 3055688 (b) End of Year 3320754
b Total plan liabilities	7b
c Net plan assets (subtract line 7b from line 7a).....	7c 3055688 3320754
8 Income, Expenses, and Transfers for this Plan Year	
a Contributions received or receivable from:	(a) Amount (b) Total
(1) Employers	8a(1) 250000
(2) Participants	8a(2)
(3) Others (including rollovers).....	8a(3)
b Other income (loss).....	8b 223603
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c 473603
d Benefits paid (including direct rollovers and insurance premiums to provide benefits).....	8d 198559
e Certain deemed and/or corrective distributions (see instructions)....	8e
f Administrative service providers (salaries, fees, commissions).....	8f 9978
g Other expenses.....	8g
h Total expenses (add lines 8d, 8e, 8f, and 8g).....	8h 208537
i Net income (loss) (subtract line 8h from line 8c).....	8i 265066
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

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		500000
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		9978
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 ☒ NoIf "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.	10/14/2011	LINDA M. PROULX
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2011	ROLF H. GESEN
	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 GROUP PENSION PLAN FOR EMPLOYEES OF MANUFACTURERS AND MERCHANTS MUTUAL INSURANCE COMPANY OF NEW HAMPSHIRE	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 PHENIX MUTUAL FIRE INSURANCE CO	D Employer Identification Number (EIN) <u>02-0178290</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>3055688</u>
b Actuarial value	2b <u>3055688</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment	3a <u>16</u> <u>1776628</u>
b For terminated vested participants	3b <u>8</u> <u>44308</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>29832</u>
(2) Vested benefits	3c(2) <u>1521446</u>
(3) Total active	3c(3) <u>25</u> <u>1551278</u>
d Total	3d <u>49</u> <u>3372214</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>6.68</u> %
6 Target normal cost	6 <u>148030</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>10/07/2011</u>
Signature of actuary	Date
<u>JOSEPH ROVEGNO</u>	<u>11-05001</u>
Type or print name of actuary	Most recent enrollment number
<u>PRICEWATERHOUSECOOPERS LLP</u>	<u>646-471-3000</u>
Firm name	Telephone number (including area code)
<u>300 MADISON AVENUE</u> <u>NEW YORK, NY 10017</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)	93336	81775
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).....	93336	81775
10	Interest on item 9 using prior year's actual return of <u>8.72</u> %	8139	7131
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>8.13</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).....	101475	88906

Part III Funding percentages			
14	Funding target attainment percentage.....	14	84.96 %
15	Adjusted funding target attainment percentage.....	15	84.96 %
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	109.07 %
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
12/17/2010	250000				
Totals ►			18(b)	250000	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	234969

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

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

21 Discount rate:				
a Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	0
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	148030
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	372018	62608
b Waiver amortization installment	0	0
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	210638
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement		0
36 Additional cash requirement (item 34 minus item 35).....	36	210638
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c).....	37	234969
38 Interest-adjusted excess contributions for current year (see instructions).....	38	24331
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: Group Pension Plan for Employees of Manufacturers & Merchants Mutual Life Insurance Company of New Hampshire
Plan Sponsor: Phenix Mutual Fire Insurance Company
EIN: 02-0178290
Plan Number: 001

2010 Schedule SB, Part V – Summary of Plan Provisions

A. Key Dates

1. Effective Plan Date - January 1, 1975.
2. ERISA Compliance Date - January 1, 1976.
3. REACT Compliance Date - January 1, 1985.
4. TRA '86 Compliance Date - January 1, 1989 Plan Restatement.
5. GATT, USSERA, SBJPA, TRA '97, RRA '98, the Community Renewal Tax Relief Act of 2000, and EGTRRA of 2001 – January 1, 2001 Plan Restatement.

B. Eligibility for Participation

Employees, who are expected to complete 1,000 hours of service during a plan year, have 6 months of service, and have attained age 21, will enter the plan on the next following January 1st.

C. Retirement Benefits

1. Normal Retirement

- (a) Conditions - Attainment of age 65
- (b) Amount of Benefit

(i) For participants who terminated their service on or before December 31, 1993:

The amount of the participant's Monthly Normal Retirement Annuity Benefit is equal to 15% of the Participant's Final Average Compensation up to \$550 plus 40% of the Participant's Final Average Compensation in excess of \$550. Any participant who has less than 20 years of service at normal retirement, will have his benefit reduced by the ratio that his total service at normal retirement bears to 20. The minimum monthly normal retirement benefit is \$60. In no event will the participant's benefit be less than his Total Monthly Pension Benefit under the prior plan on December 31, 1974.

(ii) For participants who are active on January 1, 1994:

The amount of the participant's Monthly Normal Retirement Annuity Benefit is equal to 40% of the Participant's Final Average Compensation. Any participant who has less than 25 years of service at normal retirement, will have his benefit reduced by the ratio that his total service at Normal Retirement Date bears to 25. The minimum monthly normal retirement benefit is \$60. In no event will the participant's benefit be less than his accrued benefit as of December 31, 1993.

Prior to January 1, 1989, compensation means the Participant's rate of annual wages from the Employer on each January 1 excluding any overtime pay, commissions, bonus payments, and any other additions to or deductions from regular compensation.

Effective January 1, 1989 compensation means the Participant's actual wages from the Employer during the Plan Year including any overtime pay, commissions, bonus payments and any other additions to or deductions from regular compensation. Compensation is limited to \$200,000, as indexed under the Internal Revenue Code.

Plan Name: Group Pension Plan for Employees of Manufacturers & Merchants Mutual Life Insurance Company of New Hampshire
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2010 Schedule SB, Part V – Summary of Plan Provisions (continued)

Effective January 1, 1994 compensation is limited to \$150,000, as indexed under the Internal Revenue Code.

Final Average Compensation is defined as the Participant's Average Monthly Compensation in the five consecutive Plan Years that produce the highest average.

2. Early Retirement

- (a) Conditions - Attainment of age 55 and the completion of 5 years of vesting service
- (b) Amount of Benefit - An early retirement income equal to the Actuarial Equivalent of the Participant's Vested Accrued Benefit.

3. Postponed Retirement

- (a) Conditions - Retirement subsequent to age 65.
- (b) Amount of Benefit - An amount actuarially equivalent to the benefit the participant would have received if he had retired on his Normal Retirement Date, but in no event less than the amount determined under 1(b) above based on the participant's Final Average Compensation and years of service at actual date of retirement.

4. 2010 benefits in 1, 2 and 3 are limited to \$195,000 for retirement between ages 62 and 65, increased actuarially for retirement after 65 and reduced actuarially for retirement prior to 62.

D. Other Plan Benefits

1. Termination Benefits

- (a) Conditions - Completion of a minimum of 5 years of service or upon becoming totally and permanently disabled.
- (b) Amount of Benefit - An amount equal to the Participant's Vested Accrued Benefit, payable commencing on his Normal Retirement Date or the first day of any month after termination on an Early Retirement Date, subject to a reduction for such early commencement.

2. Pre-Retirement Death Benefit

- (a) Conditions - The Participant dies after satisfying the requirements for a deferred vested benefit and has been married throughout the 12 month period immediately preceding his death.
- (b) Amount of Benefit - An annuity based on the assumption that the Participant elected Early Retirement under the 50% Contingent Annuity Option as of the day before his death. Death benefits are payable as of the earliest retirement age the participant would have been eligible to retire.

E. Form of Payment

- 1. Normal Form of Retirement Income - Life Annuity with a 5 year period certain.
- 2. Qualified Joint and Survivor Annuity - A participant who has been married for at least one year shall be deemed to have elected a 50% Contingent Annuity Option unless elected otherwise in writing.

Plan Name: Group Pension Plan for Employees of Manufacturers & Merchants Mutual Life Insurance Company of New Hampshire
Plan Sponsor: Phenix Mutual Fire Insurance Company
EIN: 02-0178290
Plan Number: 001

2010 Schedule SB, Part V – Summary of Plan Provisions (continued)

- F. Optional Modes of Annuity Payments
1. Other forms of survivor options.
 2. A life annuity.
 3. A life annuity with a 10 year period certain.
- G. Employee Contributions - None are required under the plan.

Plan Name: Group Pension Plan for Employees of Manufacturers & Merchants Mutual Life Insurance Company of New Hampshire
Plan Sponsor: Phenix Mutual Fire Insurance Company
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Plan Number: 001

2010 Schedule SB, Line 25 - Change in Method

**Asset Valuation
Interest Rate**

Pursuant to Treasury Regulation 1.430(h)(2) - 1(h)(3), the following change made for the first plan year beginning in 2009 or 2010 is treated as having been approved by the Commissioner and do not require the Commissioner's specific prior approval:

The interest rates used to value the funding target were changed from the corporate bond yield curve as of November 2008 to the 24-month average September 2009 segment rates.

Plan Name: Group Pension Plan for Employees of Manufacturers & Merchants Mutual Life Insurance Company of New Hampshire
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2010 Schedule SB, line 26 – Schedule of Active Participant Data

Age Last Birthday	<u>Age Service Distribution</u> Completed Years of Service on January 1, 2010 (Based on Date of Hire)										TOTAL
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & Over	
0-24 AVG. PAY	0	0	0	0	0	0	0	0	0	0	0
25-29 AVG. PAY	0	0	2	0	0	0	0	0	0	0	2
30-34 AVG. PAY	0	0	0	0	0	0	0	0	0	0	0
35-39 AVG. PAY	1	0	0	0	0	0	0	0	0	0	1
40-44 AVG. PAY	0	1	0	0	0	0	0	0	0	0	1
45-49 AVG. PAY	0	1	1	0	3	2	2	0	0	0	9
50-54 AVG. PAY	0	0	5	0	0	0	0	0	0	0	5
55-59 AVG. PAY	0	0	0	2	0	0	1	0	1	0	4
60-64 AVG. PAY	0	0	0	0	1	1	1	0	0	0	3
65-69 AVG. PAY	0	0	0	0	0	0	0	0	0	0	0
70 & UP AVG. PAY	0	0	0	0	0	0	0	0	0	0	0
TOTAL: AVG. PAY	1	2	8	2	4	3	4	0	1	0	25 \$66,007

Plan Name: Group Pension Plan for Employees of Manufacturers & Merchants Mutual Life Insurance Company of New Hampshire
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2010 Schedule SB, line 32 – Schedule of Amortization Bases

<u>Type of Base</u>	<u>Present Value of Remaining Installments</u>	<u>Date Established</u>	<u>Remaining Amortization Period (Years)</u>	<u>Annual Amortization Payment</u>
Shortfall	\$ 372,018	1/1/2010	7	\$ 62,608

Plan Name: Group Pension Plan for Employees of Manufacturers & Merchants Mutual Life Insurance Company of New Hampshire
Plan Sponsor: Phenix Mutual Fire Insurance Company
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2010 Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

A. Actuarial Assumptions for Funding Purposes

Mortality

Combined static sex-distinct RP-2000 Healthy Annuitant tables projected 7 years from the valuation date and Non-Annuitant tables projected 15 years from the valuation date using projection scale AA as provided for small plans

Valuation Interest Rate

Valuation interest rates are based on the three 24-month average segment rates based on the corporate bond yield curve as of September 2009.

Withdrawal

Sample rates are as follows:

Age	Rate
25	7.96%
35	4.26%
40	3.12%
45	2.22%
55	0.00%

Salary Scale

4% each year until retirement.

Expenses

Target Normal cost is loaded by \$10,000 to reflect expenses based on past experience.

Retirement Age

Calculations reflect a normal retirement age of 65.

Assets

Assets in the Guaranteed Accumulation Fund are held at book value. Assets in a Separate Pooled Account Fund are held at market value.

B. Actuarial Methods for Funding Purposes

1. Actuarial Cost Method

The actuarial cost method is the Unit Credit Actuarial Cost Method. Under this cost method, the actuarial accrued liability is defined as the present value of the accrued benefits on the valuation date. The unfunded actuarial accrued liability is the excess, if any, of the amount by which the accrued liability exceeds the actuarial value of plan assets.

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2010 Schedule SB, Part V – Statement of Actuarial Assumptions/Methods (continued)

The normal cost, determined on the valuation date, is the amount required to fund the benefit expected to be earned in the current year.

2. Asset Valuation Method

Market value of assets plus receivable contributions.

Plan Name: Group Pension Plan for Employees of Manufacturers & Merchants Mutual Life Insurance Company of New Hampshire
Plan Sponsor: Phenix Mutual Fire Insurance Company
EIN: 02-0178290
Plan Number: 001

2010 Schedule SB, Line 22 – Description of Weighted Average Retirement Age

All active participants are assumed to retire at age 65, the normal retirement age of the plan.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <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.	<small>OMB No. 1210-0110</small> 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

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C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF PHENIX MUTUAL FIRE INSURANCE COMPANY	D Employer Identification Number (EIN) 02-0178290	
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:			
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b Actuarial value	2b	3055688	
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a For retired participants and beneficiaries receiving payment	3a	16	1776628
b For terminated vested participants	3b	8	44308
c For active participants:			
(1) Non-vested benefits	3c(1)		29832
(2) Vested benefits	3c(2)		1521446
(3) Total active	3c(3)	25	1551278
d Total	3d	49	3372214
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	6.68%	
6 Target normal cost	6	148030	

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	Joseph Rovegno Signature of actuary JOSEPH ROVEGNO Type or print name of actuary PRICEWATERHOUSECOOPERS LLP Firm name 300 MADISON AVENUE NEW YORK NY 10017 Address of the firm	<div style="text-align: right; font-size: 1.5em;">10/7/11</div> Date 1105001 Most recent enrollment number 646-471-3000 Telephone number (including area code)
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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 ☐

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)	93336	81775
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)	93336	81775
10	Interest on item 9 using prior year's actual return of <u>8.72%</u>	8139	7131
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>8.13%</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)	101475	88906

Part III		Funding percentages	
14	Funding target attainment percentage	14	84.96%
15	Adjusted funding target attainment percentage	15	84.96%
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	109.07%
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
12/17/2010	250000				
Totals ▶			18(b)	250000	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 234969
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

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

21 Discount rate:				
a Segment rates:	1st segment: 5.03%	2nd segment: 6.73%	3rd segment: 6.82%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
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	0
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	148030
32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	372018	62608
b Waiver amortization installment	0	0
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	210638
	Carryover balance	Prefunding balance
35 Balances used to offset funding requirement	0	0
36 Additional cash requirement (item 34 minus item 35)	36	210638
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	37	234969
38 Interest-adjusted excess contributions for current year (see instructions)	38	24331
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