Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

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

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
LIBERTY MUTUAL AGENCY CORPORATION RETIREMENT BENEFIT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2011

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

LIBERTY MUTUAL AGENCY CORPORATION

175 BERKELEY STREET
BOSTON, MA 02116

2b Employer Identification Number (EIN) 51-0290450

2c Sponsor's telephone number 617-357-9500

2d Business code (see instructions) 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.

SIGN HERE	Filed with authorized/valid electronic signature.	10/11/2012	MARY CONNOLLY
	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
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
LIBERTY MUTUAL AGENCY CORPORATION RETIREMENT BOARD

175 BERKELEY STREET
BOSTON, MA 02116

3b Administrator's EIN
51-0290450

3c Administrator's telephone number
617-357-9500

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	10040
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	10030
b	Retired or separated participants receiving benefits	**6b**	53
c	Other retired or separated participants entitled to future benefits	**6c**	158
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	10241
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	1
f	Total. Add lines **6d** and **6e**	**6f**	10242
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	399
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1G 3H

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

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

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

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	X	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)	X	**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

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

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **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
LIBERTY MUTUAL AGENCY CORPORATION RETIREMENT BENEFIT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
LIBERTY MUTUAL AGENCY CORPORATION

D Employer Identification Number (EIN)
51-0290450

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2011

2 Assets:

a	Market value	**2a**	0
b	Actuarial value	**2b**	0

3 Funding target/participant count breakdown:

			(1) Number of participants	**(2)** Funding Target
a	For retired participants and beneficiaries receiving payment	**3a**	0	0
b	For terminated vested participants	**3b**	0	0
c	For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		0
	(3) Total active	**3c(3)**	10040	0
d	Total	**3d**	10040	0

4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5	Effective interest rate	**5**	6.43 %
6	Target normal cost	**6**	29238022

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

Signature of actuary	09/28/2012 Date
STEPHEN F. DOUCETE Type or print name of actuary	11-05297 Most recent enrollment number
AON HEWITT Firm name	781-891-8600 Telephone number (including area code)
230 THIRD AVENUE WALTHAM, MA 02451-7528 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 [ ]

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 (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 0.00%		
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38 from prior year)		0
b	Interest on (a) using prior year's effective rate of 0.00 % except as otherwise provided (see instructions)		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	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	100.00 %
15	Adjusted funding target attainment percentage	15	100.00 %
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
01/26/2011	1500000				
04/15/2011	20000000				
07/01/2011	8500000				
04/13/2012	11000000				
			Totals ► 18(b)	41000000	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 contributions 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	39538235

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:	2nd segment:	3rd segment:	
3.78%	6.31%	6.57 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	61

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

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	29238022
b Excess assets, if applicable, but not greater than 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
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 (lines 31a - 31b + 32a + 32b - 33)	**34**	29238022

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0

36 Additional cash requirement (line 34 minus line 35)	**36**	29238022
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	39538235

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	10300213
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2011** **This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
LIBERTY MUTUAL AGENCY CORPORATION RETIREMENT BENEFIT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LIBERTY MUTUAL AGENCY CORPORATION

D Employer Identification Number (EIN)
51-0290450

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

HEWITT FINANCIAL SERVICES LLC

36-3943169

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

THE BANK OF NEW YORK MELLON

13-5160382

(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)

HEWITT ASSOCIATES LLC

36-2235791

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 15 16 50	NONE	219860	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

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

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

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

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)

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

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

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

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

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

(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

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

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

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
LIBERTY MUTUAL AGENCY CORPORATION RETIREMENT BENEFIT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
LIBERTY MUTUAL AGENCY CORPORATION

D Employer Identification Number (EIN)
51-0290450

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

a Name of MTIA, CCT, PSA, or 103-12 IE: LIBERTY MUTUAL RETIREMENT PLAN MT

b Name of sponsor of entity listed in (a): LIBERTY MUTUAL AGENCY CORPORATION

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)
27-4064359-001	M	24916750

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
LIBERTY MUTUAL AGENCY CORPORATION RETIREMENT BENEFIT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LIBERTY MUTUAL AGENCY CORPORATION

D Employer Identification Number (EIN)
51-0290450

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	11000000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	0	24916750
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	0	35916750
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h	0	26173
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	26173
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	0	35890577

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	41000000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		41000000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		

			(a) Amount	(b) Total
2b	(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		
	(6) Net investment gain (loss) from common/collective trusts	2b(6)		
	(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
	(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-4383009
	(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c	Other income	2c		
d	Total income. Add all **income** amounts in column (b) and enter total	2d		36616991
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	479916	
	(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)		479916
f	Corrective distributions (see instructions)	2f		
g	Certain deemed distributions of participant loans (see instructions)	2g		
h	Interest expense	2h		
i	Administrative expenses: (1) Professional fees	2i(1)	246033	
	(2) Contract administrator fees	2i(2)		
	(3) Investment advisory and management fees	2i(3)		
	(4) Other	2i(4)	465	
	(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		246498
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		726414
	Net Income and Reconciliation			
k	Net income (loss). Subtract line 2j from line 2d	2k		35890577
l	Transfers of assets:			
	(1) To this plan	2l(1)		
	(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: DANIEL DENNIS & COMPANY LLP **(2)** EIN: 04-2734675

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) **4a**		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) **4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) **4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) **4d**		X	
e	Was this plan covered by a fidelity bond? **4e**	X		15000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? **4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? **4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? **4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) **4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) **4j**		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? **4k**		X	
l	Has the plan failed to provide any benefit when due under the plan? **4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) **4m**			
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. **4n**			

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

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

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

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
LIBERTY MUTUAL AGENCY CORPORATION RETIREMENT BENEFIT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
LIBERTY MUTUAL AGENCY CORPORATION

D Employer Identification Number (EIN)
51-0290450

Part I Distributions

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

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ..... 1 | 0

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

EIN(s): 27-3801027

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

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. ..... 3 | 315

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

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

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

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

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

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) 6a

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

a Enter the percentage of plan assets held as:
Stock: 92% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: 8%

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):

See audited financial statements for Accountant’s Opinion.

Schedule SB Attachment (Form 5500)—2011 Plan Year
Liberty Mutual Agency Corporation Retirement Benefit Plan
EIN: 51-0290450 PN: 001

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2011

Date	Amount	Interest Rate	Interest Adjusted Contribution
January 26, 2011	$ 1,500,000	6.43%	$ 1,493,611
April 15, 2011	20,000,000	6.43%	19,648,011
July 1, 2011	8,500,000	6.43%	8,241,345
April 13, 2012	11,000,000	6.43%	10,155,267
Total Contribution	$ 41,000,000		$ 39,538,235

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

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

▶ **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

Liberty Mutual Agency Corporation Retirement Plan

B Three-digit plan number (PN) ▶ 001

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

Liberty Mutual Agency Corporation

D Employer Identification Number (EIN)

51-0290450

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2011

2	Assets:			
	a Market value		**2a**	0
	b Actuarial value		**2b**	0
3	Funding target/participant count breakdown:		(1) Number of participants	(2) Funding Target
	a For retired participants and beneficiaries receiving payment	**3a**	0	0
	b For terminated vested participants	**3b**	0	0
	c For active participants:			
	(1) Non-vested benefits	**3c(1)**		0
	(2) Vested benefits	**3c(2)**		0
	(3) Total active	**3c(3)**	10,040	0
	d Total	**3d**	10,040	0
4	If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor		**4b**	
5	Effective interest rate		**5**	6.43 %
6	Target normal cost		**6**	29,238,022

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 STEPHEN F DOUCETTE SFD

Signature of actuary

09/28/2012

Date

Stephen F. Doucete

Type or print name of actuary

11-05297

Most recent enrollment number

Aon Hewitt

Firm name

(781) 891-8600

Telephone number (including area code)

230 Third Avenue

Waltham MA 02451-7528

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 [ ]

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 (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of 0.00%		
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38 from prior year)		0
	b Interest on (a) using prior year's effective rate of 0.00% except as otherwise provided (see instructions)		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	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding percentages

14	Funding target attainment percentage	14	100.00 %
15	Adjusted funding target attainment percentage	15	100.00 %
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
01/26/2011	1,500,000				
04/15/2011	20,000,000				
07/01/2011	8,500,000				
04/13/2012	11,000,000				
			Totals • 18(b)	41,000,000	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 contributions 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	39,538,235

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:

	1st segment:	2nd segment:	3rd segment:	
a Segment rates:	3.78 %	6.31 %	6.57 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	61

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

Part VIII Minimum required contribution for current year

31 Target normal cost and excess assets (see instructions):		
a Target normal cost (line 6)	**31a**	29,238,022
b Excess assets, if applicable, but not greater than 31a	**31b**	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
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 (lines 31a - 31b + 32a + 32b - 33)	**34**	29,238,022

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0

36 Additional cash requirement (line 34 minus line 35)	**36**	29,238,022
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	39,538,235
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	10,300,213
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension funding relief under Pension Relief Act of 2010 (see instructions)

41 If a shortfall amortization base is being amortized pursuant to an alternative amortization schedule:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

Schedule SB Attachment (Form 5500)—2011 Plan Year
Liberty Mutual Agency Corporation Retirement Benefit Plan
EIN: 51-0290450 PN: 001

Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at beginning of year.

Participants with Less than 15 Years of Credited Service on 12/31/2010

	Current Participants Born After 1964			All Other Current Participants			Active Participants on 12/31/2005 and Born Before 1956		
Retirement Age	Retirement Rate	Weighting	Result	Retirement Rate	Weighting	Result	Retirement Rate	Weighting	Result
55	7%	0.0700	3.85	7%	0.0700	3.85	7%	0.0700	3.85
56	7%	0.0651	3.65	7%	0.0651	3.65	7%	0.0651	3.65
57	7%	0.0605	3.45	7%	0.0605	3.45	7%	0.0605	3.45
58	7%	0.0563	3.27	7%	0.0563	3.27	8%	0.0643	3.73
59	7%	0.0524	3.09	8%	0.0598	3.53	8%	0.0592	3.49
60	8%	0.0557	3.34	8%	0.0551	3.30	10%	0.0681	4.08
61	8%	0.0512	3.12	10%	0.0633	3.86	10%	0.0613	3.74
62	10%	0.0589	3.65	10%	0.0570	3.53	17%	0.0937	5.81
63	10%	0.0530	3.34	17%	0.0872	5.49	14%	0.0641	4.04
64	17%	0.0811	5.19	14%	0.0596	3.81	14%	0.0551	3.53
65	17%	0.0673	4.37	21%	0.0769	5.00	28%	0.0948	6.16
66	21%	0.0690	4.55	28%	0.0810	5.34	40%	0.0975	6.43
67	28%	0.0727	4.87	40%	0.0833	5.58	25%	0.0366	2.45
68	40%	0.0748	5.08	25%	0.0312	2.12	25%	0.0274	1.86
69	25%	0.0280	1.93	25%	0.0234	1.62	25%	0.0206	1.42
70	100%	0.0841	5.89	100%	0.0703	4.92	100%	0.0617	4.32
Weighted Retirement Age			**62.65**			**62.33**			**62.02**

Participants with 15+ Years of Credited Service on 12/31/2010

	Current Participants Born After 1964			All Other Current Participants			Active Participants on 12/31/2005 and Born Before 1956		
Retirement Age	Retirement Rate	Weighting	Result	Retirement Rate	Weighting	Result	Retirement Rate	Weighting	Result
55	10%	0.1000	5.50	10%	0.1000	5.50	10%	0.1000	5.50
56	10%	0.0900	5.04	10%	0.0900	5.04	10%	0.0900	5.04
57	10%	0.0810	4.62	10%	0.0810	4.62	10%	0.0810	4.62
58	10%	0.0729	4.23	10%	0.0729	4.23	12%	0.0875	5.07
59	10%	0.0656	3.87	12%	0.0787	4.65	12%	0.0770	4.54
60	12%	0.0709	4.25	12%	0.0693	4.16	15%	0.0847	5.08
61	12%	0.0624	3.80	15%	0.0762	4.65	15%	0.0720	4.39
62	15%	0.0686	4.25	15%	0.0648	4.02	25%	0.1020	6.32
63	15%	0.0583	3.67	25%	0.0918	5.78	20%	0.0612	3.85
64	25%	0.0826	5.29	20%	0.0551	3.52	20%	0.0489	3.13
65	25%	0.0619	4.03	30%	0.0661	4.29	40%	0.0783	5.09
66	30%	0.0558	3.68	40%	0.0617	4.07	40%	0.0470	3.10
67	40%	0.0520	3.49	40%	0.0370	2.48	25%	0.0176	1.18
68	40%	0.0312	2.12	25%	0.0139	0.94	25%	0.0132	0.90
69	25%	0.0117	0.81	25%	0.0104	0.72	25%	0.0099	0.68
70	100%	0.0351	2.46	100%	0.0312	2.19	100%	0.0297	2.08
Weighted Retirement Age			**61.11**			**60.85**			**60.59**

Service and Age Groups	Number of Active Participants	Weighted Retirement Age	Weighting	Result
Participants Born >1964, <15 Years	165	62.65	0.0164	1.03
Other Current Participants, <15 Years	301	62.33	0.0300	1.87
Active on 12/31/2005, <15 Years	254	62.02	0.0253	1.57
Participants Born >1964, 15+ Years	5,034	61.11	0.5014	30.64
Other Current Participants, 15+ Years	3,399	60.85	0.3385	20.60
Active on 12/31/2005, 15+ Years	867	60.59	0.0864	5.23
Long Term Disableds	20	65.00	0.0020	0.13
Total	10,040			
Composite Weighted Retirement Age				**61.07**

Schedule SB Attachment (Form 5500)—2011 Plan Year
Liberty Mutual Agency Corporation Retirement Benefit Plan
EIN: 51-0290450 PN: 001

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Interest rates	Based on segment rates with a four-month lookback (as of September 2010).
1st segment rate	3.78%.
2nd segment rate	6.31%.
3rd segment rate	6.57%.
Salary increases	
Minimum funding target normal cost	See Table 1.
Maximum tax expected benefit increase	See Table 1.
Social Security wage base increases	Future wage indices are based on a national wage increase of 3.25% per year.
Social Security COLA increases	2.50%.
Optional payment form election percentage	Joint and 50% survivor for married participants. Single life annuity for single participants. It is assumed that 90% of new retirees take their benefits immediately, while 10% defer to the unreduced age.
Retirement age	
Active participants	See Table 2.
Terminated vested participants	Age 63.
Mortality rates	
Healthy and disabled	Generational mortality table for annuitants and non-annuitants per §1.430(h)(3)-1(d).
Withdrawal rates	See Tables 3-4.
Disability rates	See Table 5.

Decrement timing	Middle of year decrements, with 100% retirement occurring at beginning of year.
Surviving spouse benefit	It is assumed that 90% of males and 60% of females have an eligible spouse, and that males are three years older than their spouses.
Valuation compensation	The greater of actual base plus bonus in 2010 or pensionable earnings in 2009, less deferred compensation.
Benefit and compensation limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of $195,000 and the 401(a)(17) compensation limit of $245,000.
Valuation of plan assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value. A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under IRC section 430(h)(2)(C)(iii).
Trust expenses included in target normal cost	$1,000,000.
Actuarial method	Standard unit credit cost method.
Valuation date	January 1, 2011.

Table 1

Salary Merit Increase Rates

Age	Rate	Age	Rate
15	9.40%	45	3.90%
16	9.40%	46	3.90%
17	9.40%	47	3.80%
18	9.40%	48	3.70%
19	9.40%	49	3.70%
20	9.10%	50	3.60%
21	8.80%	51	3.60%
22	8.60%	52	3.50%
23	8.40%	53	3.50%
24	8.30%	54	3.40%
25	8.20%	55	3.40%
26	8.10%	56	3.30%
27	8.00%	57	3.30%
28	7.70%	58	3.30%
29	7.30%	59	3.20%
30	6.80%	60	3.20%
31	6.30%	61	3.20%
32	5.90%	62	3.20%
33	5.60%	63	3.10%
34	5.30%	64	3.10%
35	5.10%	65	3.10%
36	4.90%	66	3.00%
37	4.70%	67	3.00%
38	4.50%	68	3.00%
39	4.40%	69	2.90%
40	4.30%	70	2.90%
41	4.20%	71	2.90%
42	4.10%	72	2.80%
43	4.00%	73	2.80%
44	4.00%	74	2.80%

Table 2

Retirement Rates

Age at which Benefits Commence	Current Participants Born After 1964		All Other Current Participants		Active Participants on 12/31/2005 and Born Before 1956	
Credited Service on 12/31/2010	**>= 15**	**<15**	**>= 15**	**< 15**	**>= 15**	**<15**
55	10%	7%	10%	7%	10%	7%
56	10%	7%	10%	7%	10%	7%
57	10%	7%	10%	7%	10%	7%
58	10%	7%	10%	7%	12%	8%
59	10%	7%	12%	8%	12%	8%
60	12%	8%	12%	8%	15%	10%
61	12%	8%	15%	10%	15%	10%
62	15%	10%	15%	10%	25%	17%
63	15%	10%	25%	17%	20%	14%
64	25%	17%	20%	14%	20%	14%
65	25%	17%	30%	21%	40%	28%
66	30%	21%	40%	28%	40%	40%
67	40%	28%	40%	40%	25%	25%
68	40%	40%	25%	25%	25%	25%
69	25%	25%	25%	25%	25%	25%
70	100%	100%	100%	100%	100%	100%

Table 3—Page 1 of 4

Withdrawal Rates (Full-time Employees) — Male

	Years of Service				
Age	**0-1**	**2**	**3**	**4**	**5+**
15	25.30%	21.40%	18.10%	15.30%	12.00%
16	25.30%	21.40%	18.10%	15.30%	12.00%
17	25.30%	21.40%	18.10%	15.30%	12.00%
18	25.30%	21.40%	18.10%	15.30%	12.00%
19	25.30%	21.40%	18.10%	15.30%	12.00%
20	25.30%	21.40%	18.10%	15.30%	12.00%
21	24.70%	20.90%	17.70%	15.00%	11.70%
22	24.20%	20.50%	17.30%	14.60%	11.50%
23	23.70%	20.00%	16.90%	14.30%	11.20%
24	23.20%	19.60%	16.60%	14.00%	11.00%
25	22.70%	19.20%	16.20%	13.70%	10.80%
26	22.20%	18.80%	15.90%	13.40%	10.50%
27	21.70%	18.40%	15.50%	13.10%	10.30%
28	21.60%	18.30%	15.50%	13.10%	10.20%
29	21.40%	18.20%	15.50%	13.10%	10.20%
30	21.20%	18.10%	15.40%	13.10%	10.10%
31	21.10%	18.00%	15.40%	13.10%	10.10%
32	20.90%	17.90%	15.30%	13.10%	10.00%
33	20.20%	17.20%	14.70%	12.50%	9.70%
34	19.50%	16.50%	14.00%	11.90%	9.40%
35	18.80%	15.90%	13.40%	11.30%	9.10%
36	18.20%	15.30%	12.80%	10.80%	8.90%
37	17.50%	14.70%	12.30%	10.30%	8.60%
38	17.80%	14.70%	12.10%	10.00%	8.30%
39	18.10%	14.70%	12.00%	9.80%	8.00%
40	18.30%	14.80%	11.90%	9.60%	7.60%
41	18.60%	14.80%	11.80%	9.40%	7.30%
42	18.90%	14.90%	11.70%	9.20%	7.10%
43	18.60%	14.50%	11.40%	8.90%	6.70%
44	18.30%	14.20%	11.10%	8.60%	6.50%

Table 3—Page 2 of 4

Withdrawal Rates (Full-time Employees) — Male

	Years of Service				
Age	**0-1**	**2**	**3**	**4**	**5+**
45	18.00%	13.90%	10.70%	8.30%	6.20%
46	17.80%	13.60%	10.40%	8.00%	5.90%
47	17.50%	13.30%	10.20%	7.70%	5.60%
48	17.50%	13.40%	10.20%	7.80%	5.60%
49	17.60%	13.40%	10.30%	7.90%	5.60%
50	17.60%	13.50%	10.30%	7.90%	5.50%
51	17.60%	13.50%	10.40%	8.00%	5.50%
52	17.70%	13.60%	10.40%	8.00%	5.50%
53	17.70%	13.60%	10.50%	8.10%	5.50%
54	17.70%	13.70%	10.60%	8.10%	5.40%
55	17.70%	13.70%	10.60%	8.20%	0.00%
56+	17.80%	13.80%	10.70%	8.30%	0.00%

Table 3—Page 3 of 4

Withdrawal Rates (Full-time Employees) — Female

	Years of Service				
Age	**0-1**	**2**	**3**	**4**	**5+**
15	24.70%	22.20%	19.90%	17.90%	15.60%
16	24.70%	22.20%	19.90%	17.90%	15.60%
17	24.70%	22.20%	19.90%	17.90%	15.60%
18	24.70%	22.20%	19.90%	17.90%	15.60%
19	24.70%	22.20%	19.90%	17.90%	15.60%
20	24.70%	22.20%	19.90%	17.90%	15.60%
21	24.00%	21.60%	19.40%	17.40%	15.20%
22	23.40%	21.00%	18.80%	16.90%	14.80%
23	22.70%	20.40%	18.30%	16.40%	14.30%
24	22.10%	19.80%	17.80%	16.00%	13.90%
25	21.40%	19.30%	17.30%	15.50%	13.60%
26	20.80%	18.70%	16.80%	15.10%	13.20%
27	20.30%	18.20%	16.30%	14.70%	12.80%
28	20.40%	18.20%	16.20%	14.50%	12.50%
29	20.50%	18.20%	16.20%	14.40%	12.20%
30	20.60%	18.20%	16.10%	14.20%	11.90%
31	20.70%	18.20%	16.00%	14.10%	11.60%
32	20.80%	18.20%	15.90%	13.90%	11.30%
33	20.70%	18.00%	15.60%	13.50%	10.80%
34	20.70%	17.70%	15.20%	13.10%	10.30%
35	20.60%	17.50%	14.90%	12.60%	9.80%
36	20.60%	17.30%	14.50%	12.20%	9.40%
37	20.50%	17.10%	14.20%	11.80%	9.00%
38	20.20%	16.70%	13.80%	11.40%	8.60%
39	19.90%	16.30%	13.40%	11.00%	8.30%
40	19.60%	16.00%	13.00%	10.60%	8.00%
41	19.30%	15.60%	12.60%	10.20%	7.70%
42	19.00%	15.30%	12.30%	9.80%	7.40%
43	18.50%	15.00%	12.10%	9.70%	7.40%
44	18.10%	14.70%	11.90%	9.70%	7.30%

Table 3—Page 4 of 4

Withdrawal Rates (Full-time Employees) — Female

	Years of Service				
Age	**0-1**	**2**	**3**	**4**	**5+**
45	17.60%	14.40%	11.70%	9.60%	7.30%
46	17.20%	14.10%	11.60%	9.50%	7.20%
47	16.80%	13.80%	11.40%	9.40%	7.20%
48	16.70%	13.70%	11.30%	9.30%	7.00%
49	16.60%	13.60%	11.10%	9.10%	6.90%
50	16.50%	13.50%	11.00%	9.00%	6.80%
51	16.40%	13.40%	10.90%	8.90%	6.70%
52	16.40%	13.30%	10.80%	8.70%	6.60%
53	16.30%	13.20%	10.60%	8.60%	6.40%
54	16.20%	13.00%	10.50%	8.50%	6.30%
55	16.10%	12.90%	10.40%	8.30%	0.00%
56+	16.00%	12.80%	10.30%	8.20%	0.00%

Table 4—Page 1 of 4

Withdrawal Rates (Part-time Employees) — Male

	Years of Service				
Age	**0-1**	**2**	**3**	**4**	**5+**
15	30.30%	23.50%	18.10%	15.30%	12.00%
16	30.30%	23.50%	18.10%	15.30%	12.00%
17	30.30%	23.50%	18.10%	15.30%	12.00%
18	30.30%	23.50%	18.10%	15.30%	12.00%
19	30.30%	23.50%	18.10%	15.30%	12.00%
20	30.30%	23.50%	18.10%	15.30%	12.00%
21	29.70%	23.00%	17.70%	15.00%	11.70%
22	29.00%	22.50%	17.30%	14.60%	11.50%
23	28.40%	22.00%	16.90%	14.30%	11.20%
24	27.80%	21.60%	16.60%	14.00%	11.00%
25	27.20%	21.10%	16.20%	13.70%	10.80%
26	26.60%	20.60%	15.90%	13.40%	10.50%
27	26.10%	20.20%	15.50%	13.10%	10.30%
28	25.90%	20.10%	15.50%	13.10%	10.20%
29	25.70%	20.00%	15.50%	13.10%	10.20%
30	25.50%	19.90%	15.40%	13.10%	10.10%
31	25.30%	19.80%	15.40%	13.10%	10.10%
32	25.10%	19.70%	15.30%	13.10%	10.00%
33	24.20%	18.90%	14.70%	12.50%	9.70%
34	23.40%	18.20%	14.00%	11.90%	9.40%
35	22.60%	17.50%	13.40%	11.30%	9.10%
36	21.80%	16.80%	12.80%	10.80%	8.90%
37	21.00%	16.10%	12.30%	10.30%	8.60%
38	21.30%	16.20%	12.10%	10.00%	8.30%
39	21.70%	16.20%	12.00%	9.80%	8.00%
40	22.00%	16.30%	11.90%	9.60%	7.60%
41	22.30%	16.30%	11.80%	9.40%	7.30%
42	22.70%	16.40%	11.70%	9.20%	7.10%
43	22.30%	16.00%	11.40%	8.90%	6.70%
44	22.00%	15.70%	11.10%	8.60%	6.50%

Table 4—Page 2 of 4

Withdrawal Rates (Part-time Employees) — Male

	Years of Service				
Age	**0-1**	**2**	**3**	**4**	**5+**
45	21.70%	15.30%	10.70%	8.30%	6.20%
46	21.30%	15.00%	10.40%	8.00%	5.90%
47	21.00%	14.70%	10.20%	7.70%	5.60%
48	21.00%	14.70%	10.20%	7.80%	5.60%
49	21.10%	14.80%	10.30%	7.90%	5.60%
50	21.10%	14.80%	10.30%	7.90%	5.50%
51	21.10%	14.90%	10.40%	8.00%	5.50%
52	21.20%	14.90%	10.40%	8.00%	5.50%
53	21.20%	15.00%	10.50%	8.10%	5.50%
54	21.30%	15.00%	10.60%	8.10%	5.40%
55	21.30%	15.10%	10.60%	8.20%	0.00%
56+	21.30%	15.20%	10.70%	8.30%	0.00%

Table 4—Page 3 of 4

Withdrawal Rates (Part-time Employees) — Female

	Years of Service				
Age	**0-1**	**2**	**3**	**4**	**5+**
15	29.70%	24.40%	19.90%	17.90%	15.60%
16	29.70%	24.40%	19.90%	17.90%	15.60%
17	29.70%	24.40%	19.90%	17.90%	15.60%
18	29.70%	24.40%	19.90%	17.90%	15.60%
19	29.70%	24.40%	19.90%	17.90%	15.60%
20	29.70%	24.40%	19.90%	17.90%	15.60%
21	28.80%	23.70%	19.40%	17.40%	15.20%
22	28.00%	23.10%	18.80%	16.90%	14.80%
23	27.20%	22.40%	18.30%	16.40%	14.30%
24	26.50%	21.80%	17.80%	16.00%	13.90%
25	25.70%	21.20%	17.30%	15.50%	13.60%
26	25.00%	20.60%	16.80%	15.10%	13.20%
27	24.30%	20.00%	16.30%	14.70%	12.80%
28	24.40%	20.00%	16.20%	14.50%	12.50%
29	24.60%	20.00%	16.20%	14.40%	12.20%
30	24.70%	20.00%	16.10%	14.20%	11.90%
31	24.80%	20.00%	16.00%	14.10%	11.60%
32	25.00%	20.00%	15.90%	13.90%	11.30%
33	24.90%	19.80%	15.60%	13.50%	10.80%
34	24.80%	19.50%	15.20%	13.10%	10.30%
35	24.70%	19.30%	14.90%	12.60%	9.80%
36	24.70%	19.00%	14.50%	12.20%	9.40%
37	24.60%	18.80%	14.20%	11.80%	9.00%
38	24.20%	18.40%	13.80%	11.40%	8.60%
39	23.90%	18.00%	13.40%	11.00%	8.30%
40	23.50%	17.60%	13.00%	10.60%	8.00%
41	23.20%	17.20%	12.60%	10.20%	7.70%
42	22.80%	16.80%	12.30%	9.80%	7.40%
43	22.30%	16.50%	12.10%	9.70%	7.40%
44	21.70%	16.10%	11.90%	9.70%	7.30%

Table 4—Page 4 of 4

Withdrawal Rates (Part-time Employees) — Female

	Years of Service				
Age	**0-1**	**2**	**3**	**4**	**5+**
45	21.20%	15.80%	11.70%	9.60%	7.30%
46	20.60%	15.50%	11.60%	9.50%	7.20%
47	20.10%	15.20%	11.40%	9.40%	7.20%
48	20.00%	15.10%	11.30%	9.30%	7.00%
49	19.90%	15.00%	11.10%	9.10%	6.90%
50	19.80%	14.80%	11.00%	9.00%	6.80%
51	19.70%	14.70%	10.90%	8.90%	6.70%
52	19.60%	14.60%	10.80%	8.70%	6.60%
53	19.50%	14.50%	10.60%	8.60%	6.40%
54	19.40%	14.30%	10.50%	8.50%	6.30%
55	19.30%	14.20%	10.40%	8.30%	0.00%
56+	19.20%	14.10%	10.30%	8.20%	0.00%

Table 5

Disability Rates

Age	Male	Female	Age	Male	Female
15	0.03%	0.03%	45	0.16%	0.24%
16	0.03%	0.03%	46	0.18%	0.27%
17	0.03%	0.03%	47	0.21%	0.30%
18	0.03%	0.03%	48	0.25%	0.33%
19	0.03%	0.03%	49	0.28%	0.36%
20	0.03%	0.03%	50	0.33%	0.40%
21	0.03%	0.03%	51	0.39%	0.44%
22	0.03%	0.03%	52	0.46%	0.49%
23	0.03%	0.03%	53	0.53%	0.54%
24	0.03%	0.03%	54	0.61%	0.59%
25	0.03%	0.03%	55	0.69%	0.64%
26	0.03%	0.03%	56	0.77%	0.69%
27	0.03%	0.03%	57	0.86%	0.74%
28	0.03%	0.04%	58	0.95%	0.80%
29	0.03%	0.04%	59	1.05%	0.85%
30	0.03%	0.04%	60	1.15%	0.90%
31	0.03%	0.05%	61	1.26%	0.96%
32	0.03%	0.05%	62	1.38%	1.01%
33	0.03%	0.06%	63	1.51%	1.05%
34	0.03%	0.06%	64	1.64%	1.09%
35	0.04%	0.07%	65+	0.00%	0.00%
36	0.04%	0.08%			
37	0.05%	0.09%			
38	0.06%	0.10%			
39	0.07%	0.12%			
40	0.08%	0.13%			
41	0.09%	0.15%			
42	0.10%	0.17%			
43	0.12%	0.19%			
44	0.14%	0.22%			

Schedule SB Attachment (Form 5500)—2011 Plan Year
Liberty Mutual Agency Corporation Retirement Benefit Plan
EIN: 51-0290450 PN: 001

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2011

Number of Participants and Average Compensation

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25	73 $46,451	78 $52,334								
25-29	123 $48,772	672 $57,133	78 $62,778	1						
30-34	90 $52,463	888 $63,727	189 $74,160	38 $64,632						
35-39	62 $66,024	844 $73,173	214 $79,003	100 $87,234	19	2				
40-44	55 $66,696	909 $81,598	231 $88,451	123 $89,135	78 $90,992	37 $83,492	2			
45-49	68 $74,424	849 $81,963	378 $84,403	117 $97,993	52 $91,890	76 $92,166	38 $85,244	2		
50-54	59 $69,615	760 $81,126	444 $82,609	108 $91,872	48 $97,227	48 $82,559	41 $111,478	19	1	
55-59	19	544 $77,406	368 $79,921	93 $84,259	55 $93,791	53 $96,171	27 $90,557	37 $101,628	7	
60-64	8	313 $76,845	228 $83,377	56 $86,610	21 $81,505	19	5	12	5	1
65-69	3	55 $91,525	51 $83,763	16	4	3	6	1		
70+	1	6	6	2	1					

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Schedule SB Attachment (Form 5500)—2011 Plan Year
Liberty Mutual Agency Corporation Retirement Benefit Plan
EIN: 51-0290450 PN: 001

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2011

Number of Participants and Average Compensation

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25	73 $46,451	78 $52,334								
25-29	123 $48,772	672 $57,133	78 $62,778	1						
30-34	90 $52,463	888 $63,727	189 $74,160	38 $64,632						
35-39	62 $66,024	844 $73,173	214 $79,003	100 $87,234	19	2				
40-44	55 $66,696	909 $81,598	231 $88,451	123 $89,135	78 $90,992	37 $83,492	2			
45-49	68 $74,424	849 $81,963	378 $84,403	117 $97,993	52 $91,890	76 $92,166	38 $85,244	2		
50-54	59 $69,615	760 $81,126	444 $82,609	108 $91,872	48 $97,227	48 $82,559	41 $111,478	19	1	
55-59	19	544 $77,406	368 $79,921	93 $84,259	55 $93,791	53 $96,171	27 $90,557	37 $101,628	7	
60-64	8	313 $76,845	228 $83,377	56 $86,610	21 $81,505	19	5	12	5	1
65-69	3	55 $91,525	51 $83,763	16	4	3	6	1		
70+	1	6	6	2	1					

N-10040

Liberty Mutual Agency Corporation
Retirement Benefit Plan

Financial Statements, Supplemental Schedules
and Auditors' Report

December 31, 2011

Daniel Dennis & Company LLP
Certified Public Accountants

990 Washington Street, Suite 308A
Dedham, MA 02116
(617) 262-9898
FAX: (617) 437-9937

Daniel Dennis & Company LLP

Certified Public Accountants

To the Retirement Board
Liberty Mutual Agency Corporation
Retirement Benefit Plan

Independent Auditors' Report

We have audited the accompanying statements of net assets available for benefits of the Liberty Mutual Agency Corporation Retirement Benefit Plan (the Plan) as of December 31, 2011 and the related statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits at December 31, 2011 and the changes therein for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) as of December 31, 2011 is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Daniel Dennis + Company LLP

October 5, 2012

990 Washington Street, Dedham, Massachusetts 02026 (617) 262-9898 Fax (617) 437-9937

Liberty Mutual Agency Corporation Retirement Benefit Plan
Statement of Net Assets
Available for Benefits
December 31, 2011

Assets	
Investments at fair value:	
Plan interest in Liberty Mutual Retirement Plan Master Trust	$ 24,916,750
Employer contribution receivable	11,000,000
Total assets	35,916,750
Liabilities	
Operating payables	26,173
Net assets available for plan benefits	$ 35,890,577

See accompanying notes to financial statements.

Liberty Mutual Agency Corporation Retirement Benefit Plan
Statement of Changes in
Net Assets Available for Benefits
Years Ended December 31, 2011

Additions	
Employer contributions	$ 41,000,000
Plan interest in Liberty Mutual Retirement Plan Master Trust investment income	(4,383,009)
Total	36,616,991
Deductions	
Plan fees	246,498
Benefit payments	479,916
Total	726,414
Net increase in net assets	35,890,577
Net assets available for plan benefits at beginning of year	-
Net assets available for plan benefits at end of year	$ 35,890,577

See accompanying notes to financial statements.

Liberty Mutual Agency Corporation Retirement Benefit Plan
Notes to Financial Statements
December 31, 2011

1. Description of Plan

The following brief description of the Liberty Mutual Agency Corporation Retirement Benefit Plan (the Plan) is provided for general information purposes only. Participants should refer to the LMAC Plan instrument for more detailed information.

General
The Plan is a defined benefit pension plan sponsored by Liberty Mutual Agency Corporation (the Company). The Company established the Plan on January 1, 2011 to provide retirement income to employees of "Participating Employers", including the Company and any other affiliated employers that adopt the Plan with approval of the Company. Employees become eligible for membership at age 21 after completion of one year of service and are 100% vested after five years of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Benefits
Plan participants (including employees who elect early retirement and employees who terminate with vested benefits) are entitled to monthly benefit payments upon reaching age 55 and completing five years of employment. Normal retirement date is the first day of the month in which the Plan member attains age 65. In determining the monthly benefit payment, a member may receive credit for all completed years and months of service in the plan, subject to the break in service rules. Surviving spouse benefits and lump sum benefits for specified groups are also provided for in the plan.

Under no circumstances will an individual earn years of credited service under the Plan while earning years of credited service under the Liberty Mutual Retirement Benefit Plan (the LMGI Plan).

2. Summary of Significant Accounting Policies

Basis of Presentation
The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting standards generally accepted in the United States of America.

Use of Estimates
The preparation of 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 amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Administrative Expenses
Administrative expenses are paid by the Company to the extent not paid by the Plan.

Benefit Payments
Benefit payments to participants are recorded upon distribution.

2. Summary of Significant Accounting Policies - Continued

Investment Valuation and Income Recognition
Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See note 7 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

New Accounting Pronouncements
In May 2011, the Financial Accounting Standards Board (FASB) issued *Accounting Standards Update (ASU) 2011-04, Amendments to Achieve Common Fair Value Measurements and Disclosures*, to converge the fair value measurement guidance in accounting principles generally accepted in the U.S. (GAAP) and the International Financial Reporting Standards (IFRS). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosure. The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management does not believe the provisions of ASU 2011-04 will have a material impact on the Plan's net assets available for benefits or its changes in net assets available for benefits.

3. Funding Policy

The Company's funding policy is to make annual contributions to the Plan sufficient to provide the Plan with assets with which to pay benefits to members or eligible spouses of members. Such contributions are generally designed to fund on a current basis the Plan's target normal costs and any unfunded prior service costs over a period of no longer than seven years. They are based upon amounts required to be funded in accordance with ERISA as amended by the Pension Protection Act.

The funding for the year ended December 31, 2011 was $41,000,000, which fulfilled the minimum funding requirements of ERISA.

4. Interest in the Liberty Mutual Retirement Plan Master Trust

The Plan's investments are in the Liberty Mutual Retirement Plan Master Trust (the Trust). The Trust was established effective January 1, 2011 for the investment of assets of the Plan and LMGI Pension Plan. The assets of the Master Trust are held by The Bank of New York Mellon (Trustee).

The Trust assets consisted of LMAC Plan investments in 2011 (the transition period), except for a nominal LMGI Plan contribution to establish the Trust. The Trust will hold all of the assets of the LMGI Plan beginning in 2012.

***4. Interest in the Liberty Mutual Retirement Plan Master Trust** - Continued*

The value of the LMAC Plan's interest in the Liberty Mutual Retirement Plan Master Trust is based on actual contributions and investment income less distributions and administrative expenses of the Master Trust.

The following table presents the assets, including investments, of the Master Trust.

Cash	$ 795,458
Dreyfus Cash Management Fund	1,130,895
Ishares Russell 2000 Index Fund	2,979,500
Ishares MSCI All Country Asia	8,842,280
SPDR S&P 500 ETF Trust	2,653,070
SPDR S&P Midcap 400 ETF Trust	6,260,780
Vanguard MSCI European ETF	2,217,665
Total investments	24,879,648
Investment income receivable	37,102
Plan interest in Liberty Mutual Retirement Plan Master Trust	$ 24,916,750

Investment Income for the Master Trust is as follows:

Change in unrealized appreciation	$ (4,752,800)
Interest income earned	2,159
Dividend Income earned	367,632
Total	$ (4,383,009)

5. Actuarial Present Value of Accumulated Plan Benefits

The LMAC Plan was established effective January 1, 2011; therefore, there are no accumulated plan benefits at this date.

6. Federal Income Taxes

The Company requested a favorable determination letter from the Internal Revenue Service on January 31, 2011, and has not received a response to date. However, the plan administrator and the plan's tax counsel believe the plan is designed and is currently being operated in accordance with the applicable regulations. Therefore, no provision for income taxes has been included in the plan's financial statements.

***6. Federal Income Taxes** - Continued*

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

7. Fair Value Measurement

Financial Accounting Standards Board (FASB) *Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

***7. Fair Value Measurement** - Continued*

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

The Plan's overall investment strategy is to achieve a mix of approximately 65% of investments for near-term benefit payments and 35% for long-term growth with a wide diversification of asset types, fund strategies, and fund managers. The goal is to achieve a total return in the range of 6%-8% annually with sufficient liquidity to meet the Plan's benefit needs.

During the Plan's 2011 transition period, the Plan assets were managed Mellon Capital Management Corporation using exchange traded funds traded on a U.S. Stock Exchange. The transition investment strategy is 90 to 100% public equity and 0 to 10% cash. Fair value of common stocks is based on quoted prices in active markets.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2011:

Description	*Level 1*	*Level 2*	*Level 3*	*Total*
Cash, cash equivalents and short-term investments	$ 1,963,455	$ -	$ -	$ 1,963,455
Common Stocks:				
U.S S&P 500 equities	2,653,070	-	-	2,653,070
U.S. mid cap equities	6,260,780	-	-	6,260,780
U.S. small cap equities	2,979,500	-	-	2,979,500
Asian equities	8,842,280	-	-	8,842,280
European Equities	2,217,665	-	-	2,217,665
Total	$ 24,916,750	$ -	$ -	$ 24,916,750

8. Plan Termination

The Company has the right under the Plan to discontinue their contributions at any time and may terminate the Plan subject to the provisions set forth in ERISA (see Note 10).

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 the following benefits in the order indicated:

1. Benefits attributable to employee contributions, taking into account those paid out before termination.

8. Plan Termination - *Continued*

2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.

3. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed subsequently).

4. All other vested benefits (that is, vested benefits not insured by the PBGC).

5. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, a statutory ceiling exists, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

For Plan terminations occurring during 2011, the ceiling is $4,500 per month. The ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

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.

9. Risk and Uncertainties

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 change could materially affect the amounts reported in the statement of net assets available for benefits.

10. Liberty Mutual Retirement Plan Master Trust

On December 10, 2010, the Retirement Board voted to establish a tax qualified master trust, to be named the Liberty Mutual Retirement Plan Master Trust (the Trust), to hold assets of the Plan beginning in 2011.

The Trust was established with the Bank of New York Mellon (BONY) as the Trustee. Mellon Capital Management Corporation was designated investment manager under the Trust.

11. Subsequent Events

The Plan has evaluated subsequent events through October 5, 2012, which is the date the financial statements were available to be issued.

The Board of Directors of the Compensation Committee of Liberty Mutual Holding Company, Inc. voted to merge the Plan into the LMGI Plan effective December 31, 2012 (merger date). As a result, all LMAC plan assets and liabilities will transfer to the LMGI plan on the merger date.

There are no other recognized subsequent events, which are events that provide additional evidence about conditions that existed at the financial statement date, or non-recognized subsequent events, which are events that provide evidence about conditions that did not exist at the financial statement date, but are necessary to disclose to keep the financial statements from being misleading.

SUPPLEMENTAL SCHEDULE

Liberty Mutual Agency Corporation Retirement Benefit Plan
E.I.N. 51-0290450; Plan #001
Schedule H, line 4i - Schedule of Assets (Held at Year End)
December 31, 2011

	(a) Identity of Party Involved	*(b) Identity of Issue, Borrower, Lessor or Similar Party*	*(c) Description of Investment*	*(d) Cost*	*(e) Current Value*
*	Bank of New York Mellon	Master Trust Units	Cash and Cash Equivalents	$ 1,963,455	$ 1,963,455
*	Bank of New York Mellon	Master Trust Units	Equity	$ 27,700,882	$ 22,953,295
	TOTAL ASSETS			$ 29,664,337	$ 24,916,750

* Denotes Party-In Interest

Liberty Mutual Agency Corporation Retirement Benefit Plan
E.I.N. 51-0290450; Plan #001
Schedule H, line 4i - Schedule of Assets (Held at Year End)
December 31, 2011

	(a) Identity of Party Involved	*(b) Identity of Issue, Borrower, Lessor or Similar Party*	*(c) Description of Investment*	*(d) Cost*	*(e) Current Value*
*	Bank of New York Mellon	Master Trust Units	Cash and Cash Equivalents	$ 1,963,455	$ 1,963,455
*	Bank of New York Mellon	Master Trust Units	Equity	$ 27,700,882	$ 22,953,295
	TOTAL ASSETS			$ 29,664,337	$ 24,916,750

* Denotes Party-In Interest