

Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA), and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500-SF.	OMB Nos. 1210-0110 1210-0089 <div style="border: 1px solid black; padding: 5px; text-align: center; font-weight: bold; font-size: 1.2em;">2012</div> This Form is Open to Public Inspection
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Part I Annual Report Identification Information			
For calendar plan year 2012 or fiscal plan year beginning <u>01/01/2012</u> and ending <u>12/31/2012</u>			
A	This return/report is for:	☒ a single-employer plan ☐ a multiple-employer plan (not multiemployer) ☐ a one-participant plan	
B	This return/report is:	☐ the first return/report ☒ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ DFVC program ☐ special extension (enter description)	

Part II Basic Plan Information —enter all requested information			
1a	Name of plan <u>GROUP PENSION PLAN OF MANUFACTURES AND MERCHANTS MUTUAL INSURANCE COMPANY OF NEW HAMPSHIRE</u>	1b	Three-digit plan number (PN) ▶ <u>001</u>
		1c	Effective date of plan <u>01/01/1965</u>
2a	Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>PHENIX MUTUAL FIRE INSURANCE CO</u> <u>42 PLEASANT STREET</u> <u>CONCORD, NH 03301</u>	2b	Employer Identification Number (EIN) <u>02-0178290</u>
		2c	Sponsor's telephone number <u>603-225-2773</u>
		2d	Business code (see instructions) <u>524140</u>
3a	Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address	3b	Administrator's EIN
		3c	Administrator's telephone number
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
5a	Total number of participants at the beginning of the plan year	5a	<u>47</u>
b	Total number of participants at the end of the plan year	5b	<u>0</u>
c	Number of participants with account balances as of the end of the plan year (defined benefit plans do not complete this item)	5c	
6a	Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)	☒ Yes	☐ No
b	Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)	☒ Yes	☐ No

If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/07/2013	MARK PEACOCK
	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
Preparer's name (including firm name, if applicable) and address; include room or suite number (optional)			Preparer's telephone number (optional)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	3932079	0
b Total plan liabilities	7b		
c Net plan assets (subtract line 7b from line 7a)	7c	3932079	0
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	250000	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	206580	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		456580
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	205386	
e Certain deemed and/or corrective distributions (see instructions)	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g	6756	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		212142
i Net income (loss) (subtract line 8h from line 8c)	8i		244438
j Transfers to (from) the plan (see instructions)	8j	-4176517	

Part IV Plan Characteristics

9a	If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 1A 1G
b	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

10 During the plan year:	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program)	10a	X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)	10b	X	
c Was the plan covered by a fidelity bond?	10c	X	500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	10d	X	
e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service or other organization that provides some or all of the benefits under the plan? (See instructions.)	10e	X	
f Has the plan failed to provide any benefit when due under the plan?	10f	X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year end.)	10g	X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	10h		
i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	10i		

Part VI Pension Funding Compliance

11	Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below)	☒ Yes ☐ No
11a	Enter the amount from Schedule SB line 39	11a 0
12	Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ..	☐ Yes ☒ No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)		
a	If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions, and enter the date of the letter ruling granting the waiver.	Month Day Year
If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.		
b	Enter the minimum required contribution for this plan year	12b

c Enter the amount contributed by the employer to the plan for this plan year.....	12c	
d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount)	12d	
e Will the minimum funding amount reported on line 12d be met by the funding deadline?.....	☐ Yes ☐ No ☐ N/A	

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year?	☒ Yes ☐ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year	13a 0
b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	☒ Yes ☐ No
c If during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)	

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)
MOTORISTS MUTUAL RETIREMENT PLAN	31-4259550	001

Part VIII Trust Information (optional)

14a Name of trust	14b Trust's EIN

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 2012 This Form is Open to Public Inspection
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For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

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

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

A Name of plan GROUP PENSION PLAN OF MANUFACTURES AND MERCHANTS MUTUAL INSURANCE COMPANY OF NEW HAMPSHIRE	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF PHENIX MUTUAL FIRE INSURANCE CO	D Employer Identification Number (EIN) <u>02-0178290</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2012</u>	
2 Assets:	
a Market value	2a <u>3921649</u>
b Actuarial value	2b <u>3921649</u>
3 Funding target/participant count breakdown:	
a For retired participants and beneficiaries receiving payment.....	3a <u>16</u> <u>1570000</u>
b For terminated vested participants.....	3b <u>9</u> <u>90463</u>
c For active participants:	
(1) Non-vested benefits.....	3c(1) <u>0</u>
(2) Vested benefits.....	3c(2) <u>1640165</u>
(3) Total active	3c(3) <u>21</u> <u>1640165</u>
d Total	3d <u>46</u> <u>3300628</u>
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 <u>7.03 %</u>
6 Target normal cost.....	6 <u>10000</u>

Statement by Enrolled Actuary

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

SIGN HERE		<u>09/30/2013</u>
Signature of actuary		Date
<u>LORI A. DEVORE</u>		<u>11-05257</u>
Type or print name of actuary		Most recent enrollment number
<u>AON CONSULTING, INC</u>		<u>614-436-8100</u>
Firm name		Telephone number (including area code)
<u>445 HUTCHINSON AVE. STE 900</u> <u>COLUMBUS, OH 43235-8619</u>		
Address of the firm		

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

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

Schedule SB (Form 5500) 2012
v. 120126

Part II Beginning of Year Carryover Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	109136	121574
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	100207	0
9	Amount remaining (line 7 minus line 8)	8929	121574
10	Interest on line 9 using prior year's actual return of <u>9.55%</u>	853	11610
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		461582
b	Interest on (a) using prior year's effective interest rate of <u>6.29%</u> except as otherwise provided (see instructions)		32300
c	Total available at beginning of current plan year to add to prefunding balance		493882
d	Portion of (c) to be added to prefunding balance		493882
12	Other reductions in balances due to elections or deemed elections	9782	59791
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	567275

Part III Funding Percentages			
14	Funding target attainment percentage	14	101.62 %
15	Adjusted funding target attainment percentage	15	118.81 %
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	88.99 %
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
Totals ►			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required 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	0
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No		
c If line 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
0	0	0
(4) 4th	0	

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 5.54%	2nd segment: 6.85%	3rd segment: 7.52 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is subject to 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	10000	
b Excess assets, if applicable, but not greater than line 31a	31b	10000	
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 <u>10</u> Day <u>07</u> Year <u>2013</u>) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)...	34	0	
	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	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
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 an election was made to use PRA 2010 funding relief for this plan:			
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)—2012 Plan Year
Group Pension Plan for Employees of Manufacturers and Merchants
Mutual Insurance Company of New Hampshire
EIN: 02-0178290 PN: 001

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2012

**Schedule SB, Line 26—Schedule of Active Participant Data
As of January 1, 2012**

**Phenix Mutual Fire Insurance Company
Group Pension Plan for Employees of Manufacturers and Merchants Mutual Insurance Company of New
Hampshire
Active Employees**

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										
25-29										
30-34			1	1						
35-39										
40-44			1							
45-49			1			3	1			
50-54			3			1	1			
55-59			1	1	1		1		1	
60-64						1	2			
65-69										
70+										

N-21

Schedule SB Attachment (Form 5500)—2012 Plan Year
Group Pension Plan for Employees of Manufacturers and Merchants
Mutual Insurance Company of New Hampshire
EIN: 02-0178290 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 2011)	
	<u>Minimum Funding and Benefit Restrictions</u>	<u>Maximum Deduction Limit and PBGC</u>
1st segment rate	5.54%	2.06%
2nd segment rate	6.85%	5.25%
3rd segment rate	7.52%	6.32%
Retirement age		
Active participants	Age 65	
Terminated vested participants	Age 65	
Mortality rates		
Healthy and disabled	2012 combined static mortality table for small plans per §1.430(h)(3)-1(e)	
Withdrawal rates	See Table 1	
Disability rates	None	
Decrement timing	Middle of year decrements, with 100% retirement occurring at beginning of year	
Surviving spouse benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are four years older than their spouses.	
Benefit limits	Projected benefits are limited by the current IRC section 415 maximum benefit of \$200,000.	
Valuation of plan assets	Fair market value	
Trust expenses included in target normal cost	\$10,000	
Actuarial method	Standard unit credit cost method	
Valuation date	January 1, 2012	

Schedule SB Attachment (Form 5500)—2012 Plan Year
Group Pension Plan for Employees of Manufacturers and Merchants
Mutual Insurance Company of New Hampshire
EIN: 02-0178290 PN: 001

Table 1

Withdrawal Rates

Age	Rate	Age	Rate
15	10.66%	45	2.22%
16	10.66%	46	2.00%
17	10.66%	47	1.78%
18	10.66%	48	1.55%
19	10.66%	49	1.33%
20	10.66%	50	1.11%
21	10.03%	51	0.89%
22	9.40%	52	0.67%
23	8.92%	53	0.44%
24	8.44%	54	0.22%
25	7.96%	55+	0.00%
26	7.48%		
27	7.00%		
28	6.62%		
29	6.24%		
30	5.86%		
31	5.48%		
32	5.10%		
33	4.82%		
34	4.54%		
35	4.26%		
36	3.98%		
37	3.70%		
38	3.51%		
39	3.32%		
40	3.12%		
41	2.93%		
42	2.74%		
43	2.57%		
44	2.39%		

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

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

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

OMB No. 1210-0110

2012**This Form is Open to Public
Inspection**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

► Round off amounts to nearest dollar.

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

A Name of plan Group Pension Plan for Ees of Manuf & Merchants Mut Ins Co of NH		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Motorists Mutual Insurance Company		D Employer Identification Number (EIN) 02-0178290
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B ☐ Other		
F Prior year plan size: ☒ 100 or fewer ☐ 101-500 ☐ More than 500		

Part I Basic Information

1 Enter the valuation date: Month <u>1</u> Day <u>1</u> Year <u>2012</u>			
2 Assets:			
a Market value		2a	3,921,649
b Actuarial value		2b	3,921,649
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment		3a	16
b For terminated vested participants		3b	9
c For active participants:			
(1) Non-vested benefits		3c(1)	0
(2) Vested benefits		3c(2)	1,640,165
(3) Total active		3c(3)	21
d Total		3d	46
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	7.03 %
6 Target normal cost		6	10,000

Statement by Enrolled Actuary

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

**SIGN
HERE**

Lori DeVore CAO

Signature of actuary

09/30/2013

Date

Lori A. DeVore

Type or print name of actuary

11-05257

Most recent enrollment number

Aon Consulting, Inc.

Firm name

(614) 436-8100

Telephone number (including area code)

445 Hutchinson Avenue, Suite 900

Columbus

OH 43235-8619

Address of the firm

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

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

Schedule SB (Form 5500) 2012
v. 120126

Part II Beginning of Year Carryover Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	109,136	121,574
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	100,207	0
9 Amount remaining (line 7 minus line 8)	8,929	121,574
10 Interest on line 9 using prior year's actual return of <u>9.55</u> %	853	11,610
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		461,582
b Interest on (a) using prior year's effective interest rate of <u>6.29</u> % except as otherwise provided (see instructions)		32,300
c Total available at beginning of current plan year to add to prefunding balance		493,882
d Portion of (c) to be added to prefunding balance		493,882
12 Other reductions in balances due to elections or deemed elections	9,782	59,791
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	567,275

Part III Funding Percentages

14 Funding target attainment percentage	14	101.62 %
15 Adjusted funding target attainment percentage	15	118.81 %
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	88.99 %
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
Totals ▶			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required 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	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
5.54 %2nd segment:
6.85 %3rd segment:
7.52 %☐ N/A, full yield curve used**b** Applicable month (enter code)..... **21b** 4**22** Weighted average retirement age **22** 65**23** Mortality table(s) (see instructions) ☒ Prescribed - combined ☐ Prescribed - separate ☐ Substitute**Part VI Miscellaneous Items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**27** If the plan is subject to 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** 10,000**b** Excess assets, if applicable, but not greater than line 31a **31b** 10,000**32** Amortization installments:**a** Net shortfall amortization installment..... Outstanding Balance 0 Installment 0**b** Waiver amortization installment Outstanding Balance 0 Installment 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** 0

	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** 0**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 0**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) **38a** 0**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 an election was made to use PRA 2010 funding relief for this plan:**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)—2012 Plan Year
Group Pension Plan for Employees of Manufacturers and Merchants
Mutual Insurance Company of New Hampshire
EIN: 02-0178290 PN: 001

Schedule SB, line 22—Description of Weighted Average Retirement Age
All active participants are assumed to retire at age 65.

Schedule SB Attachment (Form 5500)—2012 Plan Year
Group Pension Plan for Employees of Manufacturers and Merchants
Mutual Insurance Company of New Hampshire
EIN: 02-0178290 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 2011)	
	<u>Minimum Funding and Benefit Restrictions</u>	<u>Maximum Deduction Limit and PBGC</u>
1st segment rate	5.54%	2.06%
2nd segment rate	6.85%	5.25%
3rd segment rate	7.52%	6.32%
Retirement age		
Active participants	Age 65	
Terminated vested participants	Age 65	
Mortality rates		
Healthy and disabled	2012 combined static mortality table for small plans per §1.430(h)(3)-1(e)	
Withdrawal rates	See Table 1	
Disability rates	None	
Decrement timing	Middle of year decrements, with 100% retirement occurring at beginning of year	
Surviving spouse benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are four years older than their spouses.	
Benefit limits	Projected benefits are limited by the current IRC section 415 maximum benefit of \$200,000.	
Valuation of plan assets	Fair market value	
Trust expenses included in target normal cost	\$10,000	
Actuarial method	Standard unit credit cost method	
Valuation date	January 1, 2012	

Schedule SB Attachment (Form 5500)—2012 Plan Year
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Table 1

Withdrawal Rates

Age	Rate	Age	Rate
15	10.66%	45	2.22%
16	10.66%	46	2.00%
17	10.66%	47	1.78%
18	10.66%	48	1.55%
19	10.66%	49	1.33%
20	10.66%	50	1.11%
21	10.03%	51	0.89%
22	9.40%	52	0.67%
23	8.92%	53	0.44%
24	8.44%	54	0.22%
25	7.96%	55+	0.00%
26	7.48%		
27	7.00%		
28	6.62%		
29	6.24%		
30	5.86%		
31	5.48%		
32	5.10%		
33	4.82%		
34	4.54%		
35	4.26%		
36	3.98%		
37	3.70%		
38	3.51%		
39	3.32%		
40	3.12%		
41	2.93%		
42	2.74%		
43	2.57%		
44	2.39%		

Schedule SB Attachment (Form 5500)—2012 Plan Year
Group Pension Plan for Employees of Manufacturers and Merchants
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Schedule SB, Part V—Summary of Plan Provisions

General Information

Original Effective Date:	January 1, 1975
Effective Date of Last Amendment:	January 1, 2001
Plan Year:	January 1st to December 31st
Employer Fiscal Year	January 1st to December 31st
Employer ID Number:	02-0162640
Plan Administrator's ID Number:	02-0162640
Plan Number:	001
Plan Administrator:	Phenix Mutual Fire Insurance Company

Eligibility

All employees of the Employer are eligible to participate in the Plan as of the January 1 next following the completion of 1000 hours, six months of employment, and the attainment of age 21. Those employed prior to January 1, 1989 had prior eligibility requirements. After December 31, 2011, no associates meet the conditions to enter the plan.

Service

Service shall equal total years of service with the Employer. A year of service is credited for each plan year in which an employee works 1,000 hours.

A break in service occurs at the start of any plan year in which the employee works 500 hours or less for the Employer in such year. Service will not be interrupted by any leave of absence that has been granted by the Employer.

Creditable service shall be credited if an employee works more than 1,000 hours in a plan year. If fewer than 1,000 hours are worked, the employee receives no credited service except as described in the next paragraph.

A partial year of service shall be granted if an employee works fewer than 1,000 hours in a plan year in which the employee is first employed, re-employed, or terminates from employment with the Employer. A partial year of service is calculated on the basis of tenths of a year by taking the actual number of hours the employee worked during the year rounded up to the next 100 hours and divided by 1,000 hours. No associates are eligible to earn Service after December 31, 2011.

Schedule SB Attachment (Form 5500)—2012 Plan Year
Group Pension Plan for Employees of Manufacturers and Merchants
Mutual Insurance Company of New Hampshire
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Normal Retirement Date

Normal Retirement Date is the first day of the month coincident with or next following the attainment of age 65.

Normal Retirement Benefit

For participants who terminated employment prior to January 1, 1994, the amount of the monthly benefit to be paid for life with 5 years certain shall be:

- (1) 15% of Final Average Compensation which is not in excess of \$550
plus
- (2) 40% of Final Average Compensation which is in excess of \$550.
times
- (3) Years of Credited Service, up to a maximum of 20, divided by 20.

For Participants who were active on January 1, 1994 or who have since become an active participant, the amount of the monthly benefit to be paid for life with 5 years certain shall be:

- (1) 40% of Final Average Compensation
times
- (2) Years of Credited Service, up to a maximum of 25, divided by 25.

In no event will the monthly Normal Retirement Benefit be less than \$60 for either of the above formulas.

Delayed Retirement

A participant may continue in the employment of the Employer after his Normal Retirement Date. In such event, he will receive at actual retirement or death, the greater of a benefit based upon salary and service through his actual date of retirement and the actuarial equivalent of his Normal Retirement Benefit.

Annual Compensation

Compensation is a participant's actual wages for the Plan Year including overtime, commissions, and bonuses, up to the IRS compensation limit.

Final Average Compensation

The average of a participant's monthly compensation during the highest five consecutive, complete Plan Years of service.

Schedule SB Attachment (Form 5500)—2012 Plan Year
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Accrued Benefit

The Accrued Benefit at any time prior to a participant's Normal Retirement Date shall be the benefit described in Normal Retirement Benefit, multiplied by a fraction with the numerator being Year of Credited Service at termination and the denominator being Years of Credited Service if the participant had continued to work until his Normal Retirement Date.

Early Retirement Benefit

Upon the completion of 5 years of vesting service and the attainment of age 55, a participant may elect to retire. He may receive a monthly benefit for life with 5 years certain beginning at his Normal Retirement Date equal to the benefit accrued at early retirement date. Payments may begin before the Normal Retirement Date, with the benefit being reduced by one-fifteenth for each of the first 5 years and one-thirtieth for each of the next 5 years by which the payment precedes the Normal Retirement Date.

Death Benefit

In the event of a vested active participant's death, a spouse's benefit will be payable assuming the participant had terminated on the day prior to death and elected a joint and one-half contingent annuitant survivor benefit commencing at the earliest possible retirement date.

For a vested terminated participant, death benefits are calculated as for active participants, but based on the participant's Accrued Benefit at his termination date.

Severance Benefit

Upon the termination of employment after 5 or more years of vesting service, a participant shall have a vested interest in his Accrued Benefit. The percentage vested shall be:

Years of Service	Vested Percent
Fewer than 5	0%
5 or more	100%

Optional Methods of Settlement

All Optional Methods of Settlement are actuarially equivalent to the normal form of annuity, a life annuity with 5 years certain. If a married participant does not elect the normal form of annuity or does not elect one of the Optional Methods of Settlement described below, then the participant's retirement benefit shall automatically be paid under option (1) below with the participant's spouse as the beneficiary. The options are:

- (1) A reduced benefit to be paid during the participant's lifetime with one-half the reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (2) A reduced benefit to be paid during the participant's lifetime with two-thirds the reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (3) A reduced benefit to be paid during the participant's lifetime with three-fourths the reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.

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- (4) A benefit to be paid during the participant's lifetime with the full benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (5) An increased benefit to be paid for life.
- (6) A reduced benefit to be paid for the participant's lifetime with guaranteed payments for 120 months. Should the participant die before the 120th monthly payment, then payments will continue to the beneficiary until a total of 120 monthly benefit payments have been made. However, should the participant die after the 120th monthly payment, then no further payments will be payable.

Amendment or Termination of Plan

The Employer reserves the right to amend or terminate the Plan at any time. Generally, the Pension Benefit Guaranty Corporation reserves the right to terminate the Plan if the Employer fails to meet the minimum funding standards, or is unable to pay benefits when due.

If the Plan is terminated, the plan assets will be distributed among the plan participants based upon a priority allocation procedure and the Employer shall be liable for any unfunded vested benefits to the extent required by law.

Additional Information

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Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2012

**Schedule SB, Line 26—Schedule of Active Participant Data
 As of January 1, 2012**

**Phenix Mutual Fire Insurance Company
 Group Pension Plan for Employees of Manufacturers and Merchants Mutual Insurance Company of New
 Hampshire
 Active Employees**

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										
25-29										
30-34			1	1						
35-39										
40-44			1							
45-49			1			3	1			
50-54			3			1	1			
55-59			1	1	1		1		1	
60-64						1	2			
65-69										
70+										

N-21

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