

<p>Form 5500</p> <p>Department of the Treasury Internal Revenue Service</p> <hr/> <p>Department of Labor Employee Benefits Security Administration</p> <hr/> <p>Pension Benefit Guaranty Corporation</p>	<p>Annual Return/Report of Employee Benefit Plan</p> <p>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).</p> <p>▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	<p>OMB Nos. 1210-0110 1210-0089</p> <hr/> <p style="font-size: 24pt; font-weight: bold;">2013</p> <hr/> <p>This Form is Open to Public Inspection</p>
---	---	--

Part I Annual Report Identification Information		
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A This return/report is for:	<input type="checkbox"/> a multiemployer plan;	<input type="checkbox"/> a multiple-employer plan; or
	<input checked="" type="checkbox"/> a single-employer plan;	<input type="checkbox"/> a DFE (specify) _____
B This return/report is:	<input type="checkbox"/> the first return/report;	<input type="checkbox"/> the final return/report;
	<input type="checkbox"/> an amended return/report;	<input type="checkbox"/> a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	<input type="checkbox"/>	
D Check box if filing under:	<input checked="" type="checkbox"/> Form 5558;	<input type="checkbox"/> automatic extension;
	<input type="checkbox"/> special extension (enter description)	<input type="checkbox"/> the DFVC program;

Part II Basic Plan Information —enter all requested information		
1a Name of plan <u>PUBLIC SERVICE MUTUAL PENSION PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
	1c Effective date of plan	<u>07/01/1951</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>PUBLIC SERVICE INSURANCE COMPANY</u> <u>ONE PARK AVENUE NEW YORK, NY 10016</u>	2b Employer Identification Number (EIN) <u>13-1188550</u>	2c Sponsor's telephone number <u>212-591-9500</u>
	2d Business code (see instructions) <u>524210</u>	

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.	10/13/2014	GARY STEWART
	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

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)	Preparer's telephone number (optional)
--	--

3a Plan administrator's name and address <input type="checkbox"/> Same as Plan Sponsor Name <input type="checkbox"/> Same as Plan Sponsor Address TRUSTEES OF PUBLIC SERVICE INSURANCE COMPANY ONE PARK AVENUE NEW YORK, NY 10016	3b Administrator's EIN 13-6695464 3c Administrator's telephone number 212-591-9500
---	---

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	650
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	50
b Retired or separated participants receiving benefits.....	6b	217
c Other retired or separated participants entitled to future benefits.....	6c	340
d Subtotal. Add lines 6a, 6b, and 6c.....	6d	607
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	36
f Total. Add lines 6d and 6e.....	6f	643
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	0
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 Characteristics Codes in the instructions:
 1A 1I

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

9a Plan funding arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) <input type="checkbox"/> Insurance (2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts (3) <input checked="" type="checkbox"/> Trust (4) <input type="checkbox"/> 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) <input checked="" type="checkbox"/> R (Retirement Plan Information) (2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) <input checked="" type="checkbox"/> H (Financial Information) (2) <input type="checkbox"/> I (Financial Information – Small Plan) (3) <input type="checkbox"/> A (Insurance Information) (4) <input checked="" type="checkbox"/> C (Service Provider Information) (5) <input type="checkbox"/> D (DFE/Participating Plan Information) (6) <input type="checkbox"/> 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

2013

**This Form is Open to Public
Inspection**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

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

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

A Name of plan <u>PUBLIC SERVICE MUTUAL PENSION PLAN</u>		B Three-digit plan number (PN) ▶	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>PUBLIC SERVICE INSURANCE COMPANY</u>		D Employer Identification Number (EIN) <u>13-1188550</u>	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information

1 Enter the valuation date:	Month <u>01</u> Day <u>01</u> Year <u>2013</u>
2 Assets:	
a Market value	2a <u>17793537</u>
b Actuarial value	2b <u>17793537</u>
3 Funding target/participant count breakdown:	
	(1) Number of participants (2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a <u>241</u> <u>13917323</u>
b For terminated vested participants.....	3b <u>334</u> <u>5987413</u>
c For active participants:	
(1) Non-vested benefits	3c(1) <u>0</u>
(2) Vested benefits	3c(2) <u>1607159</u>
(3) Total active.....	3c(3) <u>75</u> <u>1607159</u>
d Total.....	3d <u>650</u> <u>21511895</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>	
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>6.20 %</u>
6 Target normal cost	6 <u>90000</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	Signature of actuary	Date
	<u>MICHAEL MASSA</u>	<u>09/19/2014</u>
	Type or print name of actuary	Most recent enrollment number
	<u>MASSA & ASSOCIATES, INC.</u>	<u>14-03123</u>
Firm name	Telephone number (including area code)	
<u>100 NORTH CENTRE AVENUE ROCKVILLE CENTRE, NY 11570</u>	<u>516-678-8000</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

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	11433
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9	Amount remaining (line 7 minus line 8)	0	11433
10	Interest on line 9 using prior year's actual return of <u>4.60</u> %	0	526
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		741425
b	Interest on (a) using prior year's effective interest rate of <u>6.90</u> % except as otherwise provided (see instructions).....		51158
c	Total available at beginning of current plan year to add to prefunding balance		792583
d	Portion of (c) to be added to prefunding balance		792583
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	804542

Part III Funding Percentages			
14	Funding target attainment percentage.....	14	78.97 %
15	Adjusted funding target attainment percentage	15	78.97 %
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	82.04 %
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		
01/15/2014	271000						
09/15/2014	366000						
			Totals ▶	18(b)	637000	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	
b	Contributions made to avoid restrictions adjusted to valuation date	19b	
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	584661

20 Quarterly contributions and liquidity shortfalls:			
a	Did the plan have a "funding shortfall" for the prior year?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
b	If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> 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: 4.94%	2nd segment: 6.15%	3rd segment: 6.76%	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....				21b 0
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined	<input checked="" type="checkbox"/> Prescribed - separate	<input type="checkbox"/> 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.....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> 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	
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	90000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	4522900	1298775	
b Waiver amortization installment			
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	1388775	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	804542	804542
36 Additional cash requirement (line 34 minus line 35).....	36	584233	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	584661	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	428	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	428	
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		

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	<input type="checkbox"/> 2 plus 7 years	<input type="checkbox"/> 15 years	
b Eligible plan year(s) for which the election in line 41a was made	<input type="checkbox"/> 2008	<input type="checkbox"/> 2009	<input type="checkbox"/> 2010 <input type="checkbox"/> 2011
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

<p style="text-align: center;">SCHEDULE C (Form 5500)</p> <p style="font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="font-size: small;">Department of Labor Employee Benefits Security Administration</p> <hr/> <p style="font-size: small;">Pension Benefit Guaranty Corporation</p>	<p>Service Provider Information</p> <p>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p>▶ File as an attachment to Form 5500.</p>	<p>OMB No. 1210-0110</p> <hr/> <p style="font-size: large;">2013</p> <hr/> <p>This Form is Open to Public Inspection.</p>
---	---	---

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

<p>A Name of plan <u>PUBLIC SERVICE MUTUAL PENSION PLAN</u></p>	<p>B Three-digit plan number (PN) ▶ <u>001</u></p>	
<p>C Plan sponsor's name as shown on line 2a of Form 5500 <u>PUBLIC SERVICE INSURANCE COMPANY</u></p>	<p>D Employer Identification Number (EIN) <u>13-1188550</u></p>	

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)..... 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

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

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

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

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

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

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

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

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

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

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

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

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)

MASSA & ASSOCIATES, INC. 100 N. CENTRE AVENUE
SUITE 400
ROCKVILLE CENTRE, NY 11570

11-2869312

(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	CONSULTANT	15814	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

300 NO. CAP MANAGEMENT 300 NORTH LAKE AVENUE
SUITE 1120
PASADENA, CA 91101

27-2575521

(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?
16	CONSULTANT	23989	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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

TD BANK 317 MADISON AVENUE
3RD FLOOR
NEW YORK, NY 10017

01-0137770

(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?
16	CONSULTANT	43349	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(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 <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

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

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 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

2013

This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning **01/01/2013** and ending **12/31/2013**

A Name of plan PUBLIC SERVICE MUTUAL PENSION PLAN		B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 PUBLIC SERVICE INSURANCE COMPANY		D Employer Identification Number (EIN) 13-1188550	

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)	1144000	637000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	104961	135172
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2015403	995479
(2) U.S. Government securities	1c(2)	2874549	2231506
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)	10094109	12630996
(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)		
(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)	1591526	

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	17824548	16630153

Liabilities

g Benefit claims payable.....	1g		
h Operating payables.....	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f).....	1l	17824548	16630153
---	----	----------	----------

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)	637000	
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		637000
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	134	
(B) U.S. Government securities.....	2b(1)(B)	114243	
(C) Corporate debt instruments.....	2b(1)(C)	450359	
(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.....			
(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.....			
(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)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....			
(B) Other.....	2b(5)(B)	-616777	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(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)		
(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		584959

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1696202	
(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)		1696202
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)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	68644	
(4) Other.....	2i(4)	14508	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		83152
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1779354

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-1194395
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) 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 No

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

(1) Name: O'CONNOR DAVIES, LLP

(2) EIN: 27-1728945

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

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.).....

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.).....

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
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.)		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.).....		X	
e Was this plan covered by a fidelity bond?	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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?.....		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?.....		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.).....	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.).....	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?		X	
l Has the plan failed to provide any benefit when due under the plan?.....		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
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.		X	

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)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? Yes No Not determined

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection.
--	--	---

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>PUBLIC SERVICE MUTUAL PENSION PLAN</u>	B Three-digit plan number (PN) ▶	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>PUBLIC SERVICE INSURANCE COMPANY</u>	D Employer Identification Number (EIN) <u>13-1188550</u>	

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): 01-0137770

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	0
---	---

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (a) through (c)

- a** Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- 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 line 19(b)?
 Effective duration Macaulay duration Modified duration Other (specify): _____

Public Service Mutual Pension Plan

Financial Statements

December 31, 2013 and 2012

Public Service Mutual Pension Plan

Table of Contents

December 31, 2013

	Page
INDEPENDENT AUDITORS' REPORT	
FINANCIAL STATEMENTS	
Statements of Net Assets Available for Benefits as of December 31, 2013 and 2012	3
Statements of Changes in Net Assets Available for Benefits for the Years Ended December 31, 2013 and 2012	4
Notes to Financial Statements	5-12
SUPPLEMENTAL SCHEDULES	
Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year) as of December 31, 2013	13
Schedule H, Part IV, Line 4j - Schedule of Reportable Transactions for the Year Ended December 31, 2013	14

Independent Auditors' Report

The Board of Trustees and Participants Public Service Mutual Pension Plan

Report on the Financial Statements

We have audited the accompanying financial statements of Public Service Mutual Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 of the Plan as of December 31, 2013 and 2012, and the changes in its net assets available for benefits for the years then ended and its financial status as of December 31, 2012 and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules (1) Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) and (2) Schedule H, Part IV, Line 4j – Schedule of Reportable Transactions as of and for the year ended December 31, 2013 are presented for the purpose of additional analysis and are not a required part of the financial statements but is supplemental 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.

O'Connor Davies, LLP

September 22, 2014

Public Service Mutual Pension Plan

Statements of Net Assets Available for Benefits

	December 31,	
	<u>2013</u>	<u>2012</u>
ASSETS		
Investments, at Fair Value		
Money market fund	\$ 848,313	\$ 1,813,267
U.S. government and agency obligations	2,231,506	2,874,549
Hedge fund	-	1,591,526
Corporate and municipal bonds	<u>12,630,996</u>	<u>10,094,109</u>
Total Investments	<u>15,710,815</u>	<u>16,373,451</u>
Receivables		
Employer contribution	637,000	1,144,000
Accrued interest	<u>135,172</u>	<u>104,961</u>
Total Receivables	<u>772,172</u>	<u>1,248,961</u>
Cash	<u>147,166</u>	<u>202,136</u>
Total Assets	<u>16,630,153</u>	<u>17,824,548</u>
LIABILITIES	<u>-</u>	<u>-</u>
Net Assets Available for Benefits	<u>\$ 16,630,153</u>	<u>\$ 17,824,548</u>

See notes to financial statements

Public Service Mutual Pension Plan

Statements of Changes in Net Assets Available for Benefits Year Ended December 31,

	<u>2013</u>	<u>2012</u>
ADDITIONS		
Investment (Loss) Income		
Interest and dividends	\$ 564,736	\$ 603,209
Net (depreciation) appreciation in fair value of investments	<u>(616,777)</u>	<u>223,725</u>
Total Investment (Loss) Income	(52,041)	826,934
Employer contributions	<u>637,000</u>	<u>1,957,000</u>
Total Additions	<u>584,959</u>	<u>2,783,934</u>
DEDUCTIONS		
Benefits paid to participants	1,696,202	1,683,317
Administrative expenses	<u>83,152</u>	<u>89,843</u>
Total Deductions	<u>1,779,354</u>	<u>1,773,160</u>
Net (Decrease) Increase	(1,194,395)	1,010,774
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	<u>17,824,548</u>	<u>16,813,774</u>
End of year	<u>\$ 16,630,153</u>	<u>\$ 17,824,548</u>

See notes to financial statements

Public Service Mutual Pension Plan

Notes to Financial Statements
December 31, 2013 and 2012

1. Description of Plan

The following description of the Public Service Mutual Pension Plan (the "Plan") is provided for general information purposes only. The plan document should be referred to for more complete information.

General

The Plan, established July 1, 1951, is a defined benefit plan, which covers all eligible employees of the Public Service Insurance Company (formerly known as Public Service Mutual Insurance Company) (the "Company" or "Employer") who have met certain age and service requirements. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, ("ERISA").

Effective December 31, 1994, the Plan was amended such that Plan benefits were frozen and further accruals of benefits have ceased as of that date and no new participants were allowed. All employees who were employed as of December 31, 1994, became 100% vested in the Plan.

In 2013, the Company changed its name from Public Service Mutual Insurance Company to Public Service Insurance Company.

Pension Benefits

The minimum normal retirement benefit is 2% of average compensation multiplied by years of credited service up to December 31, 1994, minus 50% of the primary Social Security benefit based on social security provisions in effect at the time of the eligible employee's termination of employment or retirement. Payments commence at the normal retirement age which is 65. Earlier commencement at age 55 or over may be elected by participants who have completed 20 years of service with payments reduced 6.67% for each of the first 5 years and 3.33% for each of the next 5 years that the participant is under age 65. Participants are subject to a maximum benefit equal to the limitation on benefits under Internal Revenue Code Section 415.

Upon a participant's death, prior to the commencement of receiving pension benefits, a monthly life benefit is payable to the surviving spouse. The benefit payment commences on the first day of the month following the later of the date of the participant's death or the date on which the participant would have attained his or her earliest retirement age.

The life benefit for the surviving spouse is equal to one-half of the monthly benefit which would have been paid to the participant if he or she had retired on the date that the survivor benefit commenced and elected a joint and survivor annuity with 50% to continue to his or her surviving spouse after his or her death. The monthly benefit payable to the surviving spouse is based on the retirement benefit which the participant had earned as of the date of his or her death.

Public Service Mutual Pension Plan

Notes to Financial Statements
December 31, 2013 and 2012

1. Description of Plan (*continued*)

Plan Termination

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:

- a. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or the 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 have been payable under the Plan provisions in effect at any time during the five years preceding the Plan termination.
- b. Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC") (a U.S. Government Agency) up to applicable limitations. All other vested benefits. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC. Generally, the PBGC guarantees most vested normal 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.

The PBGC guarantees vested benefits at the level in effect on the date of plan termination. However, if a plan has been in effect less than five years before it terminates, or if benefits have been increased within five years before termination, the entire amount of the Plan's vested benefits may not be guaranteed. In addition, there is a ceiling on the amount of monthly benefits that the PBGC guarantees, which is adjusted periodically.

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.

2. Summary of Significant Accounting Policies

Basis of Accounting and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Public Service Mutual Pension Plan

Notes to Financial Statements
December 31, 2013 and 2012

2. Summary of Significant Accounting Policies (*continued*)

Fair Value Measurements

The Plan follows U.S.GAAP guidance on *Fair Value Measurements* which defines fair value and establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable and are used to the extent that observable inputs do not exist.

Investment Valuation and Income Recognition

Investments are reported at fair value. Money market funds are stated at face value, which approximates fair value. U.S. government and agency obligations are valued at the closing price reported in the active market in which the individual securities are traded. Certain corporate bonds are valued at the closing price reported in the active market in which the bond is traded. Other corporate and municipal bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. 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.

The fair value of alternative investments has been estimated using the net asset value (“NAV”) as reported by the management of the respective alternative investment fund. U.S. GAAP guidance provides for the use of NAV as a “*Practical Expedient*” for estimating fair value of alternative investments. NAV reported by each alternative investment fund is used as a practical expedient to estimate the fair value of the Plan’s interest therein and their classification within Level 2 or 3 is based on the Plan’s ability to redeem its interest in the near term.

Expenses

Expenses incurred are paid by the Plan.

Payments of Benefits

Benefit payments to participants are recorded upon distribution.

Accounting for Uncertainty in Income Taxes

The Plan recognizes the effect of income tax positions only if those positions are more likely than not to be sustained. Management has determined that the Plan had no uncertain tax positions that would require financial statement recognition and/or disclosure. The Plan is no longer subject to examinations by the applicable taxing jurisdictions for periods prior to December 31, 2010.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is September 22, 2014.

Public Service Mutual Pension Plan

Notes to Financial Statements
December 31, 2013 and 2012

3. Investments

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

	2013			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 848,313	\$ -	\$ -	\$ 848,313
U.S. government and agency obligations	-	2,231,506	-	2,231,506
Corporate bonds and municipal bonds	-	12,630,996	-	12,630,996
	<u>\$ 848,313</u>	<u>\$ 14,862,502</u>	<u>\$ -</u>	<u>\$ 15,710,815</u>
	2012			
	Level 1	Level 2	Level 3	Total
Money market fund	\$ 1,813,267	\$ -	\$ -	\$ 1,813,267
U.S. government and agency obligations	-	2,874,549	-	2,874,549
Hedge fund	-	-	1,591,526	1,591,526
Corporate bonds and municipal bonds	-	10,094,109	-	10,094,109
	<u>\$ 1,813,267</u>	<u>\$ 12,968,658</u>	<u>\$ 1,591,526</u>	<u>\$ 16,373,451</u>

The following investments represent 5% or more of the Plan's net assets available for benefits at December 31:

	2013	2012
FNMA POOL # 654154	\$ 1,278,043	\$ *
Citigroup/Deutsche	1,095,108	1,147,110
Banc of America Mortgage	1,076,584	1,145,813
Federated Inst. Govn't Obligation Fd #5	848,313	1,813,267
FNMA POOL #AC5185	*	1,660,821
300 North Capital Global Macro Fund LLC	*	1,591,526

* - Amount was less than 5% of the Plan's net assets available for benefits.

Public Service Mutual Pension Plan

Notes to Financial Statements
December 31, 2013 and 2012

3. Investments (*continued*)

The following is a reconciliation of the beginning and ending balances for assets and liabilities measured at fair value using significant unobservable inputs (Level 3) during the years ending December 31, 2013 and 2012:

	2013	2012
Balance, January 1	\$ 1,591,526	\$ -
Changes		
Purchases and other acquisitions	-	1,500,000
Net (depreciation) appreciation in fair value of investments	(2,463)	102,348
Administrative expenses	(25,849)	(10,822)
Sales and other dispositions	(1,563,214)	-
Balance, December 31	\$ -	\$ 1,591,526

The redemption frequency of the hedge fund is at the end of any calendar quarter. The redemption notice period requires thirty days' prior written notice.

The Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) (depreciated) appreciated in value for the years ended December 31 as follows:

	2013	2012
U.S. government and agency obligations	\$ (85,222)	\$ (149,470)
Hedge fund	(2,463)	102,348
Corporate and municipal bonds	(529,092)	270,847
	\$ (616,777)	\$ 223,725

4. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, that are attributable under the Plan's provisions to the services rendered by employees. Accumulated plan benefits include benefits expected to be paid to present employees or their beneficiaries. Benefits for retired or terminated employees or their beneficiaries are based on plan provisions at the time of retirement. The actuarial present value of accumulated plan benefits is determined by an independent actuary's estimate of the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest), and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

Public Service Mutual Pension Plan

Notes to Financial Statements
December 31, 2013 and 2012

4. Actuarial Present Value of Accumulated Plan Benefits (*continued*)

The significant assumptions underlying the actuarial computations for 2012 include:

Assumed rate of return on investment	-	7% compounded annually
Mortality	-	Funding Target Mortality 2013 Table for 2012 and Funding Target Mortality 2012 Table for 2011
Assumed retirement age	-	Age 65, or current age if over 65

The foregoing actuarial assumptions are based on the assumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actuarial present value of accumulated plan benefits at December 31, 2012 is as follows:

Vested Benefits	
Active participants	\$ 1,476,749
Terminated vested participants	5,526,705
Retired participants	<u>13,102,570</u>
 Total Actuarial Present Value of Accumulated Plan Benefits	 <u>\$ 20,106,024</u>

The changes in actuarial present value of accumulated plan benefits for the year ended December 31, 2012 is as follows:

Actuarial present value of accumulated plan benefits as of December 31, 2011	\$ 20,281,416
Increase (decrease) during the year attributable to:	
Passage of time	1,507,925
Benefits paid	<u>(1,683,317)</u>
 Actuarial Present Value of Accumulated Plan Benefits as of December 31, 2012	 <u>\$ 20,106,024</u>

Public Service Mutual Pension Plan

Notes to Financial Statements
December 31, 2013 and 2012

4. Actuarial Present Value of Accumulated Plan Benefits (*continued*)

The adjusted funding target attainment percentage ("AFTAP") is the ratio of Plan assets to the funding target. The AFTAP is 79% for the 2013 plan year and 82% for the 2012 plan year. Carryover balances and prefunding balances could be used to offset the minimum required contribution because the AFTAP for the prior year was greater than 80%. As a result, accelerated forms of payment were restricted to one half of the total benefit and Plan amendments increasing benefits were prohibited for the 2013 plan year. These restrictions were not in effect for the 2012 plan year.

5. Income Tax Status

The Plan has received a favorable tax determination letter from the Internal Revenue Service, dated May 22, 2012. The Trustees believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code ("IRC"). The plan administrator believes the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC.

6. Related Party Transactions

TD Bank is a custodian as defined by the Plan. Fees paid by the Plan to TD Bank for investment management services amounted to \$59,163 and \$43,589 for the years ended December 31, 2013 and 2012.

300 North Capital, LLC was a custodian as defined by the Plan. Fees paid by the Plan to 300 North Capital, LLC for investment management services amounted to \$25,849 and \$21,017 for the years ended December 31, 2013 and 2012.

7. Risks and Uncertainties

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Investments are carried at fair value. Because of the inherent uncertainty of valuations, the estimated fair values may differ from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

Public Service Mutual Pension Plan

Notes to Financial Statements
December 31, 2013 and 2012

7. Risks and Uncertainties *(continued)*

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Public Service Mutual Pension Plan

Supplemental Schedules

December 31, 2013

Public Service Mutual Pension Plan

Schedule Pursuant to Department of Labor Requirements
December 31, 2013

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

EIN #: 13-1188550
Plan #: 001

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
MONEY MARKET FUND				
	Federated Inst. Govn't Obligation Fd #5		\$ 848,313	\$ 848,313
U.S. GOVERNMENT AND AGENCY OBLIGATIONS				
	FNMA POOL # 654154	5.50%; due 10/01/17; Par \$1,205,200	1,234,388	1,278,043
	Federal Farm Credit Bank	7.00% due 09/01/2015; Par \$500,000	504,395	553,337
	FHR # 2802 BC	5.00%; due 05/15/19; Par \$278,604	268,984	296,021
	FNMA POOL #AC5185	4.00%; due 12/01/24; Par \$41,753	42,921	44,365
	FNMA POOL # 254802	4.50%; due 07/01/18; Par \$39,031	39,848	41,544
	GNMA POOL # 377341	8.00%; due 11/15/24; Par \$16,200	15,633	18,196
	Total U.S. Government and Agency Obligations		<u>2,106,169</u>	<u>2,231,506</u>
CORPORATE AND MUNICIPAL BONDS				
	Citigroup/Deutsche	5.322%; due 12/11/49; Par 1,000,000	1,123,281	1,095,108
	Banc of America Mortgage	5.356%; due 10/10/45; Par \$1,000,000	1,120,938	1,076,584
	HSBC Bank PLC	7.65%; due 05/01/25; Par \$500,000	500,570	614,675
	Bottling Group	5.5%; due 04/01/16; Par \$500,000	499,275	550,813
	Berkshire Hathaway	4.25%; 1/15/21; Par \$500,000	538,045	531,344
	American Tower Corp.	5.05%; due 9/1/2020; Par \$500,000	533,850	528,737
	Teva Pharmaceut Fin BV	2.4%; due 11/10/2016; Par \$500,000	517,439	514,434
	Symantec Corp.	4.2%; due 9/15/20; Par \$500,000	542,090	507,102
	Hewlett Packard Co.	6.125%; due 03/01/14; Par \$500,000	566,645	504,235
	Anhesuser-Busch Inbv Wor	1.375%; due 7/15/2017; Par \$500,000	503,730	498,950
	Ventas Realty LP	2.7%; due 04/1/2020; Par \$ 500,000	485,295	478,101
	Celgene Corp.	3.25%; due 8/15/2022; Par \$500,000	515,455	473,379
	Citigroup, Inc.	4.75%; due 05/19/15; Par \$425,000	449,876	447,207
	Bank of America Corp.	7.375%; due 05/15/14; Par \$400,000	448,572	409,955
	Henderson Nevade	1.622%; due 6/1/18; Par \$400,000	400,000	385,992
	America Movil SA	5.00%; due 03/30/20; Par \$350,000	371,805	379,072
	Morgan Stanley	3.8%; due 04/29/16; Par \$350,000	350,158	370,240
	San Bruno Ca Pension Oblig	4.00% due 5/1/2027; Par \$400,000	395,600	356,144
	Rio Tinto Finance	6.5%; due 07/15/18; Par \$300,000	355,041	354,143
	Gen. Elec. Cap. Corp.	3.75%; due 11/14/14; Par \$300,000	317,733	308,976
	Schlumberger Norge AS	1.25%; due 08/1/2017; Par \$300,000	299,724	293,223
	NYS Dorm Auth St. Pers Income	3.626%; due 03/15/18; Par \$255,000	255,000	269,989
	Manulife Financial Corp.	3.4%; due 09/17/15; Par \$250,000	251,988	260,232
	Oracle Corp.	5.75%; due 04/15/18; Par \$225,000	260,282	260,003
	State Pub Sch Bldg. Auth PA Rev	5.0%; due 09/15/27; Par \$250,000	250,000	259,935
	Bay Area CA Wtr Supply Consv A.	3.165%; 10/1/2025; Par \$285,000	285,000	258,566
	JP Morgan Chase & Co.	3.4%; due 06/24/15; Par \$175,000	181,790	181,727
	RAMP	4.57%; due 3/25/2034; Par 167,789	140,953	152,681
	Suntrust Bank Inc.	6%; due 02/15/26; Par \$100,000	92,253	106,601
	University of Illinois	7.56%; due 04/01/15; Par \$205,000	102,882	105,483
	Sinoceanic II AS	10%; due 02/17/2015; Par \$99,493	91,937	97,365
	Total Corporate and Municipal Bonds		<u>12,747,207</u>	<u>12,630,996</u>
	Total Investments		<u>\$ 15,701,689</u>	<u>\$ 15,710,815</u>

See independent auditors' report

Public Service Mutual Pension Plan

Schedule Pursuant to Department of Labor Requirements
Year Ended December 31, 2013

Schedule H, Part IV, Line 4j - Schedule of Reportable Transactions

EIN #: 13-1188550
Plan #: 001

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
300 North Capital, LLC	300 North Capital Global Macro Fund LLC	\$ 1,500,000	\$ 1,563,214	\$ 1,500,000	\$ 1,563,214	\$ 63,214

See independent auditors' report

**PUBLIC SERVICE MUTUAL INSURANCE COMPANY
PENSION PLAN**

EIN: 13-1188550, PN 001

**SCHEDULE SB, LINE 26 - SCHEDULE OF ACTIVE PARTICIPANT DATA
AS OF JANUARY 1, 2013**

Males and Females

Age	----- Years of Service -----										Total	
	<u>Under 1</u>	<u>1 to 4</u>	<u>5 to 9</u>	<u>10 to 14</u>	<u>15 to 19</u>	<u>20 to 24</u>	<u>25 to 29</u>	<u>30 to 34</u>	<u>35 to 39</u>	<u>40 & up</u>		
Under 25	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	0	0	0	0	0	0
40 to 44	0	0	0	0	0	1	1	0	0	0	0	2
45 to 49	0	0	0	0	2	4	6	0	0	0	0	12
50 to 54	0	0	0	0	1	10	8	1	0	0	0	20
55 to 59	0	0	0	0	0	2	12	3	3	0	0	20
60 to 64	0	0	0	0	0	5	4	9	2	0	0	20
65 to 69	0	0	0	0	0	0	1	0	0	0	0	1
70 & up	0	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	3	22	32	13	5	0	0	75

Average age 55.4 Average service 26.5

**PUBLIC SERVICE MUTUAL INSURANCE COMPANY
PENSION PLAN**

EIN: 13-1188550, PN 001

SCHEDULE SB, PART V - STATEMENT OF ACTUARIAL ASSUMPTIONS/METHODS

1. Unit Credit Cost Method

The actuarial accrued liabilities for active and deferred vested participants are determined as the actuarial present value of their accrued benefits. The actuarial accrued liabilities for retired participants and beneficiaries are determined as the actuarial present value their of their annuity benefits.

The normal cost for the plan is the actuarial present value of benefits expected to be earned during the year.

2. Actuarial Value of Assets

Valuation assets are equal to the market value of assets as of the valuation date.

Public Service Mutual Insurance Company
Pension Plan
Schedule SB, Part V - Statement of Actuarial Assumptions/Methods

B. ACTUARIAL ASSUMPTIONS

1. The annual interest discount to the valuation date for each benefit distribution is based on the year of distribution using the table below:

Segment	Years Following the Valuation Date	Segment Rate
First	0 to 5	4.94%
Second	After 5 up to 20	6.15%
Third	After 20	6.76%

2. Mortality rates are based on the Static Mortality Table applicable to this year as defined in Regulations 1.430(h)(3)-1(a)(3) using annuitant and non-annuitant rates.
3. Termination of employment rates are shown for sample ages in Part D.
5. Retirement is assumed to occur at age 65.
6. The form of income is assumed to be life annuity.
7. 80% of participants are assumed to be married. Wives are assumed to be 3 years younger than husbands.

C. REVISIONS TO ACTUARIAL ASSUMPTIONS

The interest discount and the mortality table were changed as required by the Pension Protection Act.

D. SAMPLE OF DECREMENT RATES

Annual Termination Rates

<u>Age</u>	<u>Male</u>	<u>Female</u>
20	7.94%	7.94%
25	7.72%	7.72%
30	7.22%	7.22%
35	6.28%	6.28%
40	5.15%	5.15%
45	3.98%	3.98%
50	2.56%	2.56%
55	.94%	.94%
60	.09%	.09%

**PUBLIC SERVICE MUTUAL INSURANCE COMPANY
PENSION PLAN**

EIN: 13-1188550, PN 001

**SCHEDULE SB, LINE 22 – DESCRIPTION OF WEIGHTED AVERAGE
RETIREMENT AGE**

It is assumed that all participants will retire at age 65 or at their current age if greater. Based on this, the average of assumed retirement ages for active participants, to the nearest whole age, is 65.

**PUBLIC SERVICE MUTUAL INSURANCE COMPANY
PENSION PLAN**

EIN: 13-1188550, PN 001

SCHEDULE SB, LINE 32 - SCHEDULE OF AMORTIZATION BASES

PLAN YEAR COMMENCING JANUARY 1, 2013

<u>Description of Base</u>	<u>First Payment</u>	<u>Initial Amount</u>	<u>Remaining Period</u>	<u>Outstanding Balance</u>	<u>Amort Payment</u>
Shortfall Installment	1/1/08	968,972	2	316,501	162,065
Shortfall Installment	1/1/09	3,519,483	3	1,695,550	592,644
Shortfall Installment	1/1/10	1,091,806	4	679,940	182,470
Shortfall Installment	1/1/11	2,348,999	5	1,727,475	379,590
Shortfall Installment	1/1/12	-1,780,628	6	-1,599,597	-302,216
Shortfall Installment	1/1/13	1,703,030	7	<u>1,703,030</u>	<u>284,222</u>
Total				4,522,900	1,298,775

**PUBLIC SERVICE MUTUAL INSURANCE COMPANY
PENSION PLAN**

EIN: 13-1188550, PN 001

SCHEDULE SB, PART V - SUMMARY OF PLAN PROVISIONS

1. Effective date of plan provisions

Plan restated as of January 1, 1989 and amended effective December 31, 1994.

2. Definitions

(a) Earnings

1/12 of annual wages including bonuses, overtime and amounts contributed to 401(k) and cafeteria plans.

(b) Average Earnings

Average of Earnings during the 84 consecutive months of Credited Service up to December 31, 1993 during which the average is the greatest.

3. Plan Participation

Employees commence Participation on the January 1 nearest completion of 1 year of Eligibility Service and attainment of age 21.

4. Service for Eligibility and Benefit Accrual

(a) Eligibility Service

A 12 consecutive-month period of employment during which an employee completes at least 1,000 Hours of Service. The first 12 consecutive-month period begins on the date of employment. Subsequent 12 consecutive-month periods begin at the beginning of calendar years starting with the year containing the anniversary of the date of employment.

(b) Vesting Service

A year of Vesting Service is a plan year during which an employee has at least 1,000 Hours of Service. A participant can receive a partial year of Vesting Service if less than 1,000 Hours of Service are completed in the years of employment or termination. Partial years of Vesting Service are based on completed months of employment. Prior to 1976, Vesting Service is based on elapsed time in employment in years and fractions of years.

(c) Credited Service

Credited Service is determined in the same manner as Vesting Service.

Public Service Mutual Insurance Company
Pension Plan
Schedule SB, Part V - Summary of Plan Provisions

5. Normal Retirement Benefit

(a) Eligibility

Attainment of age 65.

(b) Amount of Income

The benefit payable at the Normal Retirement Date is a monthly income determined as follows:

(i) Credited Service up to December 31, 1993

1.15% of Final Average Earnings plus .65% of Final Average Earnings in excess of average Social Security covered earnings (table for 1993) times years of Credited Service up to December 31, 1993.

(iv) Credited Service from January 1, 1994 to December 31, 1994

A benefit is earned for each year of participation. It is equal to 1.15% of Earnings plus .65% of Earnings in excess of average Social Security covered earnings (table for 1994).

6. Early Retirement Benefit

(a) Eligibility

Attainment of age 55 and completion of 20 years of Vesting Service.

(b) Amount of Income

The amount of income determined in 5(b) is reduced 1/180th for each of the first 60 months and 1/360 for each of the next 60 months by which the early retirement date precedes the normal retirement date.

7. Vested Retirement Pension

(a) Eligibility

Completion of 5 years of Vesting Service or attainment of Normal Retirement Age.

Public Service Mutual Insurance Company
Pension Plan
Schedule SB, Part V - Summary of Plan Provisions

(b) Amount of Income

If the participant has at least 20 years of Vesting Service on termination of employment, the retirement benefit can start on the first day of any month after attainment of age 55. Otherwise, the retirement benefit starts on attainment of age 65. The amount of income is determined under 5(b) and 6(b).

8. Pre-Retirement Death Benefit

(a) Eligibility

If a participant dies after becoming vested but before his pension commencement, his surviving spouse, if any, receives a Spouse's Benefit.

(b) Spouse's Benefit

The spouse receives a monthly life annuity commencing on or after the earliest date on which the participant could have retired. The life annuity for the surviving spouse is equal to 1/2 of the monthly benefit that would have been paid to the participant if he had terminated on the date of his death, retired on the date when the survivor benefit commenced, and elected a joint and survivor annuity with 50% to continue to his spouse after his death.

9. Forms of Benefit Payments

(a) Normal Form of Benefit

The Normal Forms of Benefit is a monthly life annuity payable only during the lifetime of a participant.

(b) Optional Forms of Benefit

Income under an optional form of benefit is the actuarial equivalent of the benefit payable in the Normal Form. Optional contingent annuitant forms of benefit provide for 50%, 66 2/3%, 75% or 100% continuation to the contingent annuitant. Optional term certain and life forms of benefit provide for a guarantee of 60 or 120 monthly payments.

(c) Spouse Consent Requirement

A participant who is married at the time when his benefits commence is deemed to have elected the joint and survivor annuity with 50% continuation to his surviving spouse unless he declines this form of benefit with the consent of his spouse in the manner specified in the plan.

Public Service Mutual Insurance Company
Pension Plan
Schedule SB, Part V - Summary of Plan Provisions

(d) Lump Sum Cash-Out

If the actuarial value of a participant's vested benefit does not exceed \$1,000, it may be paid as a lump sum at the option of the Plan Administrator.

B. CHANGES IN PLAN PROVISIONS SINCE THE PRIOR YEAR

None.

**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

2013

This Form is Open to Public Inspection

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

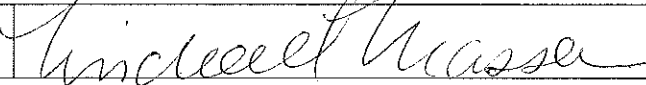
▶ **Round off amounts to nearest dollar.**

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

A Name of plan PUBLIC SERVICE MUTUAL PENSION PLAN		B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF PUBLIC SERVICE INSURANCE COMPANY		D Employer Identification Number (EIN) 13-1188550	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information			
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2013</u>			
2 Assets:			
a Market value	2a	17793537	
b Actuarial value	2b	17793537	
3 Funding target/participant count breakdown:			
		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment.....	3a	241	13917323
b For terminated vested participants.....	3b	334	5987413
c For active participants:			
(1) Non-vested benefits	3c(1)		0
(2) Vested benefits	3c(2)		1607159
(3) Total active.....	3c(3)	75	1607159
d Total.....	3d	650	21511895
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>			
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	6.20 %	
6 Target normal cost	6	90000	

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	09/19/2014
MICHAEL MASSA	Type or print name of actuary	Date
MASSA & ASSOCIATES, INC.	Firm name	14-03123
100 NORTH CENTRE AVENUE ROCKVILLE CENTRE, NY 11570	Address of the firm	Most recent enrollment number
		516-678-8000
		Telephone number (including area code)

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	11433
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)		
9	Amount remaining (line 7 minus line 8)	0	11433
10	Interest on line 9 using prior year's actual return of <u>4.60</u> %	0	526
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		741425
b	Interest on (a) using prior year's effective interest rate of <u>6.90</u> % except as otherwise provided (see instructions)		51158
c	Total available at beginning of current plan year to add to prefunding balance		792583
d	Portion of (c) to be added to prefunding balance		792583
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	0	804542

Part III Funding Percentages			
14	Funding target attainment percentage	14	78.97 %
15	Adjusted funding target attainment percentage	15	78.97 %
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	82.04 %
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		
01/15/2014	271000						
09/15/2014	366000						
			Totals ▶	18(b)	637000	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
b	Contributions made to avoid restrictions adjusted to valuation date	19b
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 584661

20	Quarterly contributions and liquidity shortfalls:		
a	Did the plan have a "funding shortfall" for the prior year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
b	If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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: 4.94%	2nd segment: 6.15%	3rd segment: 6.76%	<input type="checkbox"/> N/A, full yield curve used
-----------------------	-----------------------	-----------------------	---

b Applicable month (enter code)..... **21b** 0

22 Weighted average retirement age **22** 65

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment..... Yes No

26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... Yes No

27 If the plan is 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**

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** 90000

b Excess assets, if applicable, but not greater than line 31a **31b** 0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment.....	4522900	1298775
b Waiver amortization installment		

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)..... **34** 1388775

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	804542	804542
36 Additional cash requirement (line 34 minus line 35).....			36 584233
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....			37 584661

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

a Total (excess, if any, of line 37 over line 36) **38a** 428

b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances **38b** 428

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**

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**

Public Service Mutual Pension Plan

Schedule Pursuant to Department of Labor Requirements
December 31, 2013

Schedule H, Part IV, Line 4i - Schedule of Assets (Held at End of Year)

EIN #: 13-1188550
Plan #: 001

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	(d) Cost	(e) Current Value
MONEY MARKET FUND				
	Federated Inst. Govn't Obligation Fd #5		\$ 848,313	\$ 848,313
U.S. GOVERNMENT AND AGENCY OBLIGATIONS				
	FNMA POOL # 654154	5.50%; due 10/01/17; Par \$1,205,200	1,234,388	1,278,043
	Federal Farm Credit Bank	7.00% due 09/01/2015; Par \$500,000	504,395	553,337
	FHR # 2802 BC	5.00%; due 05/15/19; Par \$278,604	268,984	296,021
	FNMA POOL #AC5185	4.00%; due 12/01/24; Par \$41,753	42,921	44,365
	FNMA POOL # 254802	4.50%; due 07/01/18; Par \$39,031	39,848	41,544
	GNMA POOL # 377341	8.00%; due 11/15/24; Par \$16,200	15,633	18,196
	Total U.S. Government and Agency Obligations		<u>2,106,169</u>	<u>2,231,506</u>
CORPORATE AND MUNICIPAL BONDS				
	Citigroup/Deutsche	5.322%; due 12/11/49; Par 1,000,000	1,123,281	1,095,108
	Banc of America Mortgage	5.356%; due 10/10/45; Par \$1,000,000	1,120,938	1,076,584
	HSBC Bank PLC	7.65%; due 05/01/25; Par \$500,000	500,570	614,675
	Bottling Group	5.5%; due 04/01/16; Par \$500,000	499,275	550,813
	Berkshire Hathaway	4.25%; 1/15/21; Par \$500,000	538,045	531,344
	American Tower Corp.	5.05%; due 9/1/2020; Par \$500,000	533,850	528,737
	Teva Pharmaceut Fin BV	2.4%; due 11/10/2016; Par \$500,000	517,439	514,434
	Symantec Corp.	4.2%; due 9/15/20; Par \$500,000	542,090	507,102
	Hewlett Packard Co.	6.125%; due 03/01/14; Par \$500,000	566,645	504,235
	Anhesuser-Busch Inbv Wor	1.375%; due 7/15/2017; Par \$500,000	503,730	498,950
	Ventas Realty LP	2.7%; due 04/1/2020; Par \$ 500,000	485,295	478,101
	Celgene Corp.	3.25%; due 8/15/2022; Par \$500,000	515,455	473,379
	Citigroup, Inc.	4.75%; due 05/19/15; Par \$425,000	449,876	447,207
	Bank of America Corp.	7.375%; due 05/15/14; Par \$400,000	448,572	409,955
	Henderson Nevade	1.622%; due 6/1/18; Par \$400,000	400,000	385,992
	America Movil SA	5.00%; due 03/30/20; Par \$350,000	371,805	379,072
	Morgan Stanley	3.8%; due 04/29/16; Par \$350,000	350,158	370,240
	San Bruno Ca Pension Oblig	4.00% due 5/1/2027; Par \$400,000	395,600	356,144
	Rio Tinto Finance	6.5%; due 07/15/18; Par \$300,000	355,041	354,143
	Gen. Elec. Cap. Corp.	3.75%; due 11/14/14; Par \$300,000	317,733	308,976
	Schlumberger Norge AS	1.25%; due 08/1/2017; Par \$300,000	299,724	293,223
	NYS Dorm Auth St. Pers Income	3.626%; due 03/15/18; Par \$255,000	255,000	269,989
	Manulife Financial Corp.	3.4%; due 09/17/15; Par \$250,000	251,988	260,232
	Oracle Corp.	5.75%; due 04/15/18; Par \$225,000	260,282	260,003
	State Pub Sch Bldg. Auth PA Rev	5.0%; due 09/15/27; Par \$250,000	250,000	259,935
	Bay Area CA Wtr Supply Consv A.	3.165%; 10/1/2025; Par \$285,000	285,000	258,566
	JP Morgan Chase & Co.	3.4%; due 06/24/15; Par \$175,000	181,790	181,727
	RAMP	4.57%; due 3/25/2034; Par 167,789	140,953	152,681
	Suntrust Bank Inc.	6%; due 02/15/26; Par \$100,000	92,253	106,601
	University of Illinois	7.56%; due 04/01/15; Par \$205,000	102,882	105,483
	Sinoceanic II AS	10%; due 02/17/2015; Par \$99,493	91,937	97,365
	Total Corporate and Municipal Bonds		<u>12,747,207</u>	<u>12,630,996</u>
	Total Investments		<u>\$ 15,701,689</u>	<u>\$ 15,710,815</u>

See independent auditors' report

Public Service Mutual Pension Plan

Schedule Pursuant to Department of Labor Requirements
Year Ended December 31, 2013

Schedule H, Part IV, Line 4j - Schedule of Reportable Transactions

EIN #: 13-1188550
Plan #: 001

(a) Identity of Party Involved	(b) Description of Asset	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
300 North Capital, LLC	300 North Capital Global Macro Fund LLC	\$ 1,500,000	\$ 1,563,214	\$ 1,500,000	\$ 1,563,214	\$ 63,214

See independent auditors' report