

CHECKLIST

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Response	Item Number	Description of Item	Page Number
Yes	1.	Does the application include an original signature of the plan sponsor or an authorized representative of the plan sponsor? See section 2.01.	2; 20
Yes	2.	Does the application include a description of the proposed benefit suspension - calculated as if no other limitations apply - that includes: <ul style="list-style-type: none"> the suspension's effective date (and its expiration date, if applicable), whether the suspension provides for different treatment of participants and beneficiaries, a description of the different categories or groups of individuals affected, and how the suspension affects these individuals differently? See section 2.02.	2-3
Yes	3.	Does the application include a penalties-of-perjury statement signed by an authorized trustee on behalf of the board of trustees? See Section 2.03.	3
Yes	4.	Does the application include a statement, signed by an authorized trustee on behalf of the board of trustees, acknowledging that the application and the application's supporting material will be publicly disclosed on the Treasury Department's website? See section 2.04.	3
Yes	5.	Does the application include the plan actuary's certification of critical and declining status and the supporting illustrations,	4

		<p>including:</p> <ul style="list-style-type: none"> • the plan-year-by-plan-year projections demonstrating projected insolvency during the relevant period, and • separately identifying the available resources (and the market value of assets and changes in cash flow) during each of those years? <p>See section 3.01.</p>	
Yes	6.	<p>Does the application describe the assumptions used, including the new entrant profile, the total contribution base units, and the average contribution rates?</p> <p>See section 3.01.</p>	4
Yes	7.	<p>Does the application include the plan actuary's certification that the plan is projected to avoid insolvency if the suspension takes effect and the supporting illustrations, including:</p> <ul style="list-style-type: none"> • the plan-year-by-plan-year projections demonstrating projected solvency during the relevant period, • a description of the assumptions used, including the new entrant profile, the total contribution base units, and the average contribution rates, and • separately identifying the available resources (and the market value of assets and changes in cash flow) during each of those years? <p>See section 3.02.</p>	4
Yes	8.	<p>Does the application include the plan sponsor's determination of projected insolvency that includes the documentation set forth in section 5 of the revenue procedure?</p> <p>See section 3.03.</p>	4-13
Yes	9.	<p>Does the application include a demonstration that the limitations on individual suspensions are satisfied, including calculations regarding:</p> <ul style="list-style-type: none"> • the guarantee-based limitation, • the disability-based limitation, and • the age-based limitation? <p>See section 4.01.</p>	13
Yes	10.	<p>Does the application include a demonstration that the proposed suspension is reasonably estimated to achieve the level necessary to avoid insolvency for the extended period, including illustrations regarding the plan's solvency ratio and available resources?</p> <p>See section 4.02(1).</p>	13

Yes	11.	Does the application include the required illustration utilizing stochastic projections? (This illustration is not required if the plan is not required to appoint a retiree representative under § 432(e)(9)(B)(v)(I) and stochastic projections were not used in making the required determination.) See section 4.02(2).	13
N/A	12.	Does the application include a demonstration that the proposed suspension is not projected to materially exceed the level necessary to avoid insolvency, including illustrations regarding the plan's solvency ratio and available resources? See section 4.03.	14
Yes	13.	Does the application include a demonstration that the proposed suspension is equitably distributed, including: <ul style="list-style-type: none"> • information on the effect of the suspension on the plan in the aggregate, • information on the effect of the suspension for different categories or groups, • a list of the factors taken into account, • an explanation of why none of the factors listed in § 432(e)(9)(D)(vi) were taken into account (if applicable), • for each factor taken into account that is not one of the factors listed in § 432(e)(9)(D)(vi), an explanation why the factor is relevant, and • how any difference in treatment among categories or groups of individuals results from a reasonable application of the relevant factors? See section 4.04.	14
Yes	14.	Does the application include a copy of the notices (excluding personally identifiable information) that meet the requirements under § 432(e)(9)(F)? See section 4.05(1).	14
Yes	15.	Does the application include a description of the efforts that are being taken to contact participants, beneficiaries in pay status, and alternate payees? See section 4.05(2).	14-15
N/A	16.	Does the application describe the steps the plan sponsor has taken to ensure that notices delivered electronically are reasonably accessible to the recipients? See section 4.05(3)	15

Yes	17.	Does the application include a list of each employer who has an obligation to contribute under the Plan and each employee organization representing participants under the Plan? See section 4.05(4).	15-16
Yes	18.	Does the application include information on past and current measures taken to avoid insolvency? See section 5.01.	4-8; 16
Yes	19.	Does the application include the plan information required by section 5.02? See section 5.02	9-12; 16
Yes	20.	Does the application describe how the plan sponsor took into account — or did not take into account — the factors listed in section 5.02 in the determination that all reasonable measures were taken to avoid insolvency? See section 5.03.	12-13; 16
Yes	21.	Does the application describe how the plan sponsor took into account - or did not take into account - in the determination that all reasonable measures have been taken to avoid insolvency the impact of: <ul style="list-style-type: none"> • benefit and contribution levels on retaining active participants and bargaining groups under the plan, and • past and anticipated contribution increases under the plan on employer attrition and retention levels? See section 5.03.	12-13; 16
Yes	22.	Does the application include a discussion of any other factors the plan sponsor took into account including how and why those factors were taken into account? See section 5.04.	16-17
Yes	23.	Does the application include a copy of the proposed ballot, excluding the information regarding the statement in opposition, the individualized estimate, and the voting procedures? See section 6.01.	17
Yes	24.	Does the application indicate whether the plan sponsor is requesting approval from PBGC of a proposed partition under section 4233 of ERISA? See section 6.02.	17
Yes	25.	If the answer to item 24 is yes, does the application specify the effective date of the proposed partition and include a plan-year-by-plan-year projection of the amount of the reduction in benefit	17

		payments attributable to the partition? See section 6.02.	
Yes	26.	Does the application describe the plan's experience with certain critical assumptions, including a disclosure for each of the 10 plan years immediately preceding the application that separately identifies: <ul style="list-style-type: none"> • total contributions, • total contribution base units, • average contribution rates, • withdrawal liability payments, and • the rate of return on plan assets? See section 6.03.	17
Yes	27.	Does the application include deterministic projections of the sensitivity of the plan's solvency ratio throughout the extended period by taking into account the more conservative assumptions of investment experience and future contribution base units than assumed elsewhere in the application? See section 6.04.	17
Yes	28.	Does the plan include deterministic projections for each year in the extended period of: <ul style="list-style-type: none"> • the value of plan assets, • the plan's accrued liability, and • the plan's funded percentage? See section 6.05.	17-18
Yes	29.	Does the application include the plan sponsor's representation that, if it receives the Treasury Department's final authorization to suspend and then chooses to implement the suspension, it will also amend the plan: <ul style="list-style-type: none"> • to indicate that the suspension will cease upon the plan sponsor's failure to determine that both all reasonable measures continue to be taken to avoid insolvency and that the plan would not be projected to avoid insolvency without a suspension, • to require that any future benefit improvements must satisfy § 432(e)(9)(E), and • to specify that the plan sponsor will not modify these amendments, notwithstanding any other provision of the plan document? See section 6.06.	18
Yes	30.	Does the application indicate whether the plan is a plan described in § 432(e)(9)(D)(vii) and, if so, how is that fact	18

		reflected in the proposed benefit suspension? See section 6.07.	
Yes	31.	Does the application include the required plan sponsor information, including <ul style="list-style-type: none"> • name • address; telephone number • email address; fax number • employer identification number (EIN) and • 3-digit plan number (PN)? See section 7.01.	18
Yes	32.	Does the application include the required plan identification information? See section 7.02.	18
N/A	33.	Does the application include the required retiree representative information (if applicable)? See section 7.03.	18
Yes	34.	Does the application include the required enrolled actuary information? See section 7.04.	19
Yes	35.	Does the application include a designation of power of attorney for each authorized representative who will represent the plan sponsor in connection with the application? See section 7.05 and Appendix B.	19
Yes	36.	Does the application include: <ul style="list-style-type: none"> • required plan documents and recent amendments, • summary plan description (SPD), • summary of material modifications, and • most recent determination letter? See section 7.06.	19
Yes	37.	Does the application include the required excerpts from the relevant collective bargaining agreements and side agreements? See section 7.07.	19
Yes	38.	Does the application include the required excerpts from the most recently filed Form 5500? See section 7.08.	19
Yes	39.	Does the application include the most recently updated rehabilitation plan? See section 7.09.	19

Yes	40.	Does the application include this checklist, completed and placed on top of the application? See section 7.10.	—
N/A	41	If the application is being submitted for resubmission review, does the application include: <ul style="list-style-type: none"> • a statement that the application is being submitted for resubmission review, and • the date on which the Treasury Department gave approval to submit an application for resubmission review? See section 8.	--

August 11, 2016

Redacted by the U.S. Department of the Treasury

Harry Boot, Chairman
Board of Trustees
United Furniture Workers Pension Fund A

**Application of the
United Furniture Workers Pension Fund A
for Approval of
Suspension of Benefits**

Dated: August 11, 2016

Section 1. Background and Purpose

Pursuant to Internal Revenue Service Revenue Procedure 2016-27 and the Department of Treasury's final regulations (§1.432(e)(9)-1) (the "Final Regulations") issued under Section 432(e)(9) of the Internal Revenue Code of 1986 (the "Code") the Board of Trustees (the "Board") of the United Furniture Workers Pension Fund A (the "Pension Fund" or the "Plan") submits this application, and the accompanying exhibits, to the Secretary of the Treasury (the "Secretary") for approval of suspension of benefits ("Benefit Suspension Application" or the "Application"). This Application is made in combination with the Application to Partition the United Furniture Workers Pension Fund A ("Partition Application") in accordance with Section 4233 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), filed with the Pension Benefit Guaranty Corporation ("PBGC") on July 1, 2016.

Section 432(e)(9)(G) of the Code provides that the Secretary shall approve an Application for the approval of suspension of benefits upon finding that the plan is a "critical and declining" status plan and has satisfied the criteria set forth in subparagraphs (C), (D), (E) and (F) of Section 432(e)(9) of the Code. As set forth more fully below, the Pension Fund is eligible to suspend benefits and has satisfied each of the enumerated criteria under the Final Regulations. Therefore, the Board respectfully requests that the Secretary approve the Pension Fund's Benefit Suspension Application.

Section 2. Application Procedures

2.01 Plan Sponsor Submission

The Board submits this application for approval of a proposed benefit suspension under Section 432(e)(9) of the Code. This Application is signed and dated by the Chairman of the Board, who is authorized to sign on behalf of the Board.

2.02 Terms of Proposed Benefit Suspension

(1) Effective Date

The Board proposes an effective date for the benefit suspension to be May 1, 2017 or such other date as may be set by the Secretary ("Effective Date"). For purposes of the actuarial calculations, demonstrations and illustrations set forth in this Application, a May 1, 2017 effective date has been assumed. As indicated above, this Application is made in combination with the Partition Application filed with the PBGC, and, in accordance with Section 432(e)(9)(D)(v) of the Code, the suspension of benefits may not take effect prior to the effective date of the partition.

(2) Expiration Date

The proposed benefit suspension will remain in effect indefinitely and will not expire by its own terms.

(3) The Proposed Benefit Suspension

All Pension Fund participants who are not subject to the limitations set forth in Section 432(e)(9)(D)(ii) or (iii) as of the Effective Date shall have their pension benefit reduced to the maximum extent permitted under Section 432(e)(9)(D)(i), i.e. to 110% of the monthly benefit guaranteed by the PBGC. The Pension Fund has not created any different groups or classifications of participants for purposes of benefit suspensions, except to the extent required by law.

(4) Different Treatment of Participants and Beneficiaries

Not Applicable.

2.03 Penalty of Perjury

See Exhibit 1.

2.04 Public Disclosure Statement

See Exhibit 1.

2.05 Submission of Application

This Benefit Suspension Application has been submitted to the Secretary via www.treasury.gov/mpira pursuant to the requirements of Revenue Procedure 2016 - 27.

2.06 Signature

The signatures required for this Application have been submitted electronically in Portable Document Format.

2.07 Duty to Correct

The Pension Fund hereby acknowledges that if, after submission of the Benefit Suspension Application, any error is discovered, the Board shall provide prompt notice of same to the Treasury Department.

Section 3. Demonstration That the Pension Fund Is Eligible for Suspension

3.01 Plan Actuary's Certification of Critical and Declining Status

See Exhibit 2 for the certification from the Pension Fund's actuary required under Section 432(b)(3)(B)(iv) that the Pension Fund is in critical and declining status for the Plan Year commencing March 1, 2016. Included with this certification is documentation supporting the actuarial certification of status, including a year-by-year projection of the Pension Fund's available resources and the benefits under the Pension Fund, demonstrating that the Pension Fund is projected to become insolvent during the Pension Fund's 2021 plan year. The documentation includes a description of each of the assumptions used, including the total contribution base units and average contribution rates. The year-by-year projection separately identifies the market value of assets as of the beginning and end of the 2015 Plan Year and the projected market value of assets as of the beginning and end of the 2021 Insolvency Year, and the following cash-flow items for those years: (1) contributions, (2) withdrawal liability payments, (3) benefit payments, (4) administrative expenses, and (5) investment returns.

3.02 Plan Actuary's Certification That the Pension Fund is Projected to Avoid Insolvency

See Exhibit 3 for the certification from the Pension Fund's actuary required under Section 432(e)(9)(C)(i) that the Pension Fund is projected to avoid insolvency within the meaning of Section 418E, taking into account the proposed benefit suspension and the proposed Partition Application, and assuming that the proposed suspension and partition continue indefinitely.

Included within this certification is documentation supporting the certification, including a year-by-year projection of the available resources of the Pension Fund within the meaning of Section 418E(b)(3) and the benefits under the Pension Fund demonstrating the avoidance of insolvency of the Pension Fund through an extended period of time. The documentation includes a description of each of the assumptions used, including the total contribution base units and average contribution rates. Also included with this certification is the Pension Fund's year-by-year projection that separately identifies the market value of assets as of the beginning and end of each year in the extended period and the following cash-flow items for each of these years: (1) contributions, (2) withdrawal liability payments, (3) benefit payments, (4) administrative expenses and (5) investment returns.

3.03 Plan Sponsor's Determination of Projected Insolvency

It is the Board's determination under Section 432(e)(9)(C)(ii) that the Pension Fund is projected to become insolvent, unless benefits are suspended as proposed in this Application (and the Pension Fund is partitioned as proposed in the Partition Application), even though all reasonable measures to avoid insolvency have been

taken. The Pension Fund has included documentation and exhibits with this Application illustrating the Board's determination of projected insolvency.

(1) All Measures Taken to Avoid Insolvency

- i. In 2003, following three consecutive years of losses in the capital markets and with the Pension Fund's funded percentage declining to 75%, the Board adopted a plan amendment reducing the Pension Fund's benefit accrual rate from 3% to 2% for all contributions received on or after September 1, 2003. This action was taken by the Board to address the Pension Fund's declining financial position.
- ii. In 2006, in light of a declining participant base and an uncertain future, the Board again adopted another plan amendment reducing the Pension Fund's benefit accrual, lowering the accrual rate this time from 2% to 1% of all contributions received on or after September 1, 2006. Again, this action was taken by the Board to avoid further deterioration of the Pension Fund's financial condition.
- iii. In May 2008, the Pension Fund's actuaries certified to the U.S. Department of Treasury that the Pension Fund was in "critical" status as that term is defined in the Pension Protection Act of 2006 ("PPA"). As a result of that certification, the Board created and, in December 2008, approved a rehabilitation plan as required by the PPA. In late December 2008, the Board adopted and approved the Pension Fund's First Amended Rehabilitation Plan. **The Pension Fund's First Amended Rehabilitation Plan ("Rehabilitation Plan") is attached as Exhibit 4.**
- iv. In creating the Rehabilitation Plan, the Pension Fund's actuaries advised that in order for the Pension Fund to emerge from "critical status" within the 13 year period prescribed by the PPA, the rehabilitation plan would need to require all contributing employers to pay double-digit, annually compounding contribution increases to the Pension Fund. The Board determined, after careful consideration, that such increases in any rehabilitation plan would not be sustainable, and would likely result in a significant number of employer withdrawals from the Pension Fund, or a mass withdrawal, thereby jeopardizing the funding status of the Pension Fund and accelerating its insolvency. As a result, the Board concluded that forestalling insolvency was in the best interests of the Pension Fund's participants and beneficiaries and developed the Rehabilitation Plan under the "reasonable

measures” standard permitted under ERISA Section 305(e)(3)(A)(ii). See **Exhibit 4**.

- v. Under the Rehabilitation Plan, the preferred schedule requires all contributing employers to pay annually compounding contribution increase of 5.5%. In addition, adjustable benefits were eliminated.
- vi. The capital markets collapse of 2008 (which occurred while the Rehabilitation Plan was being developed) placed further significant stress on the Pension Fund as its funded status declined to 45.2% as of the plan year ending February 2009. Thereafter, as a result of the ensuing economic recession, many contributing employers, including Steinway & Sons. Inc. (“Steinway”), Sealy, Inc. (“Sealy”) and Hufcor, Inc. (“Hufcor”) were forced to lay off large numbers of employees, resulting in a further decline in the Pension Fund’s active participant base.
- vii. In 2010, the Pension Fund, in an effort to avoid insolvency, filed an application for partitioning with the PBGC under former Section 4233 of ERISA (“2010 Partition Application”). In making that application to the PBGC, the Pension Fund sought to partition sufficient liabilities to the PBGC so as to avoid or forestall insolvency. **The Pension Fund’s 2010 Partition Application is attached as Exhibit 5.** The PBGC, however, took no action on the 2010 Partition Application.
- viii. In or about July 2012, when it became apparent that the PBGC would not take any action on the 2010 Partition Application, the Board directed Pension Fund counsel to explore other alternatives that may help to avoid a Pension Fund insolvency.
- ix. Plan counsel, with the assistance of the Pension Fund’s actuaries, developed a series of options for the Board to consider as part of an effort to improve the Pension Fund’s funded position and forestall insolvency. At a Special Meeting of the Board held on February 7, 2013, counsel explored with the Board five (5) options that the Board could consider in order to improve the Pension Fund’s funded position, noting that these options were not mutually exclusive. These options were: (1) Maintain the Status Quo; (2) Increase the Annual Contributions Under the Rehabilitation Plan; (3) Freeze Benefit Accruals and Increase Annual Contribution Increases Under the Rehabilitation Plan; (4) Seek to Terminate the Pension Fund by Plan Amendment;

or (5) Seek to Terminate the Pension Fund through a Negotiated Mass Withdrawal. After the presentation, it was decided that the Board would review these options and that another Special Meeting of the Board would be convened telephonically to discuss the issues further.

- x. A Special Meeting of the Board was subsequently convened telephonically on February 26, 2013 to consider the various options presented to the Board earlier that month. No decisions were made by the Board at that time.
- xi. At the Board's July 2013 meeting, after reviewing the options presented, the Board authorized Plan counsel to work with the Pension Fund's actuary to develop a specific funding option recommendation to be presented to the Board for action at a Special Meeting of the Board to be held in September 2013.
- xii. In September 2013, the Board conducted a Special Meeting, via conference call, to address, among other things, the Pension Fund's funding crisis. At that time, Plan counsel noted that the Pension Fund was projected to become insolvent in eight (8) years, and that upon insolvency, the Pension Fund would require financial assistance from the PBGC. It was further noted that upon insolvency, Pension Fund retirees would have their pensions reduced to the PBGC guarantee. The Board concluded that its focus in considering the available options should be to extend the insolvency date as long as possible. The Board considered the initiation of a negotiated mass withdrawal of all of the Pension Fund's contributing employers by trading the Pension Fund's rights to receive long-term withdrawal liability payments for discounted, upfront cash payments from the contributing employers. It was projected that if this strategy was successful, the Pension Fund's insolvency date could be extended for an additional seven (7) years, depending upon how the relevant assumptions play out. After extended discussion on the matter, the Board authorized counsel to explore with the Pension Fund's two largest contributing employers and their affected local unions, their interest in a negotiated mass withdrawal from the Pension Fund. **A Board Resolution dated September 12, 2013 authorizing Plan counsel to explore with the Pension Fund's two largest contributing employers and their affected local unions, their interest in a negotiated mass withdrawal from the Pension Fund is attached as Exhibit 6.**

- xiii. Following the September 2013 Special Meeting, Plan counsel engaged in discussions with representatives of Steinway and Sealy in an effort to explore whether either or both of those contributing employers would be interested in negotiating a mass withdrawal from the Pension Fund.
- xiv. In November 2013, the Board conducted a Special Meeting, via conference call, in order to monitor whether there had been any progress with the negotiated mass withdrawal initiative authorized at the September 2013 meeting. Citing ERISA Section 4224 as authority for the initiative, Plan counsel distributed a proposed resolution setting forth rules providing for alternative terms and conditions for the satisfaction of employers' withdrawal liabilities to the Pension Fund ("Alternative Withdrawal Liability Rules"). **The Pension Fund's Alternative Withdrawal Liability Rules adopted by the Board in November 2013 are attached as Exhibit 7.**
- xv. Under the "Alternative Withdrawal Liability Rules," the Pension Fund may, with Board approval, release a withdrawing employer from any and all liabilities that may be assessed in connection with its complete withdrawal from the Pension Fund, including potential mass withdrawal liabilities that could be assessed, in exchange for a discounted upfront lump sum payment of the present value of its withdrawal liability obligations to the Pension Fund. By letter dated November 20, 2013, a copy of the Pension Fund's Alternative Withdrawal Liability Rules was sent to the PBGC's then Multiemployer Division Manager Bruce Perlin. **A copy of counsel's November 20, 2013 letter to Mr. Perlin is attached as Exhibit 8.**
- xvi. The purpose and intent of the Alternative Withdrawal Liability Rules was for the Pension Fund to avoid or forestall insolvency by encouraging contributing employers who may have wished to withdraw from the Pension Fund to satisfy their long-term withdrawal liability obligations to the Pension Fund through the payment of a discounted lump sum payment of the present value of their future payment obligations. While counsel had met with representatives of Steinway and Local 81102 on several occasions in an effort to reach an agreement, the parties were not successful in reaching an agreement on a withdrawal. Counsel never had any substantive discussions with Sealy's representatives, who had advised that the issue had been referred internally for discussion.

(2) Consideration of Specific Pension Fund Factors

i. Contribution Levels

In creating the Rehabilitation Plan, the Pension Fund's actuaries advised that in order for the Pension Fund to emerge from critical status by the end of its rehabilitation period as defined in the PPA, the Board would need to adopt a contribution schedule that required double-digit, annually compounding increases from all contributing employers. After careful consideration of the available alternatives, the Board concluded that adopting a rehabilitation plan that would require double-digit, annually compounding increases would likely result in a significant number of employer withdrawals from the Pension Fund, or a mass withdrawal, thereby further jeopardizing the funding status of the Pension Fund or resulting in its insolvency. As a result, the Board adopted a preferred schedule under the Rehabilitation Plan that required 5.5% annual contribution increases. See **Exhibit 4.**

ii. Benefit accrual levels, including any prior reductions in the rate of benefit accruals.

As demonstrated above, the Board twice reduced the Pension Fund's accrual rate, with the second reduction bringing the accrual rate to the lowest rate permitted under a rehabilitation plan. First, in 2003, following three consecutive years of losses in the capital markets, the Board adopted a plan amendment reducing the Pension Fund's accrual rate from 3% to 2% of all contributions received on or after September 1, 2003. Thereafter, in 2006, in light of a declining participant base and an uncertain future, the Board again adopted another plan amendment reducing the accrual rate from 2% to 1% of all contributions received on or after September 1, 2006.

iii. Prior reductions of adjustable benefits under Section 432(e)(8).

In creating the Rehabilitation Plan, the Board eliminated (i) any and all death benefits, (ii) any and all withdrawal benefits and (iii) the 36-month benefit guarantee. See **Exhibit 4.**

iv. No Prior Benefit Suspensions.

The Board has not implemented prior benefit suspensions for the Pension Fund under Section 432(e)(9).

- v. Measures taken by the plan sponsor to retain contributing employers.

For the reasons described below under the heading “Competitive and other economic factors facing contributing employers,” the Pension Fund experienced substantial contraction in its active participant base from the 1980s through the present. This declining base, coupled with several economic crises since 2001, has created severe underfunding in the Pension Fund. Nonetheless, the Board implemented several measures designed to retain contributing employers. First, in creating the Rehabilitation Plan, the Board directed the actuary to project the level of contribution increases and benefit reductions that would be necessary to allow the Pension Fund to emerge from critical status by the end of the rehabilitation period. The actuary concluded that in order to allow the Pension Fund to emerge from critical status within this period, the Rehabilitation Plan would need to require double-digit, annually compounding contribution increases. Upon review of that information, the Board recognized that requiring double-digit, annually compounding contribution increases for contributing employers would likely be unsustainable and result in significant employer withdrawals. As a result, the Board designed the Rehabilitation Plan to require annual contribution increases of 5.5%, thereby fostering continued employer participation in the Pension Fund.

In addition, in 2010, the Board filed the 2010 Partition Application which, if accepted by the PBGC, would have substantially forestalled the Pension Fund’s insolvency date, and thereby encouraged contributing employers to remain with the Pension Fund. The PBGC, however, took no action on this 2010 Partition Application.

- vi. Impact on plan solvency of the subsidies and ancillary benefits, if any available to active participants.

The Rehabilitation Plan eliminated any and all death benefits and withdrawal benefits and eliminated the 36 – month benefit guarantee, all of which were adjustable benefits under the law. The adjustable benefits that were preserved under the Rehabilitation Plan were: (1) the minimum \$50 monthly benefit for participants with more than 10 years of Credited Service, (2) subsidized early retirement for active participants, and (3) unreduced disability benefits. The value of those benefits is immaterial in the aggregate and the Board concluded that preserving those benefits was necessary to

retain contributing employers in the Pension Fund. Any further reductions in the Pension Fund's adjustable benefits would have had a de minimis actuarial impact on the Pension Fund, but would have jeopardized the continuing participation of its contributing employers.

- vii. Compensation levels of active participants relative to employees in the participant's same industry.

The Pension Fund has not conducted a study to analyze the relative compensation levels of active participants in the Pension Fund as compared to compensation levels for other (presumably non-union) employees in the same industry. However, the Board, comprised of former and current union officials and management representatives, have taken notice that annually compounding increases in contributions required under the Rehabilitation Plan has led to an overall flattening of compensation levels for active Pension Fund participants.

- viii. Competitive and other economic factors facing contributing employers.

While there have been a number of competitive and economic factors over the past 40 years that have adversely affected the Pension Fund's contributing employers and have, directly or indirectly, led to a declining active participant base over time, there is no question that a rapid increase in United States furniture imports has been the primary competitive factor facing the contributing employers, and by extension, the Pension Fund.

Furniture imports to the United States from low-wage nations has been a significant and recurring competitive issue for many of the Pension Fund's contributing employers since the early 1970s, leading to numerous plant closings throughout the country. Cornfield, Daniel B., "Becoming a Mighty Voice, Conflict and Change in the United Furniture Workers of America (1989), p. 159. From the 1970s to 1984, the value of furniture imports to the United States from low-wage countries put enormous economic pressures on all United States furniture manufacturers, particularly unionized furniture manufacturers, including many contributing employers to the Pension Fund.

The competitive pressures brought about by increased furniture imports from low-wage countries became even more acute between 1999 and 2010. In a study conducted by

William G. Luppold and Matthew S. Bumgardner “Thirty-Nine Years of U.S. Wood Furniture Importing: Sources and Products,” the authors concluded that “rapid shifts in comparative advantage among international manufacturing regions have radically affected trade competitiveness in the wood furniture industry. These shifts have had profound impacts on the U.S. industry. In 1999, employment in furniture and related products industries less kitchen cabinets was 537 thousand workers, but employment in these industries had declined to 251 thousand workers by 2010. By far, the greatest decline occurred in the [wood household furniture] sector of the overall furniture industry, which employed 130 thousand workers in 1999 but only 39 thousand workers in 2010. While the great recession of 2009 contributed to this decline, most of it was the result of international competition”. Luppold & Bumgardner “U.S. Furniture Imports,” *BioResources* 6(4), 4895-4098 (2011). This phenomenon has directly impacted the Pension Fund as its active base shrunk from 4,781 in 2000 to approximately 1,076 today, a decrease of 77% over that period of time.

These competitive and economic factors on furniture manufacturers in the United States have had an adverse impact on the Pension Fund’s active participant base over the past 35 years. It is notable that from 1981 to 2009, 35 contributing employers to the Pension Fund filed for bankruptcy protection (or effected an assignment for benefit of creditors) and withdrew from the Pension Fund.

- ix. Impact of benefit and contribution levels on retaining active participants and bargaining groups under the Pension Fund.

The Board took various factors into consideration in determining that the Pension Fund would become insolvent in the absence of a joint partitioning and benefits suspension. First, since the Board had reduced the pension accrual rate to 1% of contributions in 2006, the Board in developing the Rehabilitation Plan in 2008 could not, consistent with the PPA, reduce the accrual rate below 1%; the Board did, however, eliminate adjustable benefits under the Pension Fund. Any further benefit reductions would have likely led to a reduction in employer and participant retention. Second, under the Rehabilitation Plan, contributing employers are required to increase contributions by 5.5% each year. The Board determined that any further augmentation of these increases likely would have been unsustainable for the Pension Fund’s contributing employers.

- x. Impact of past and anticipated contribution increases under the Pension Fund on employer attrition and retention levels.

The impact that past contribution increases required under the Rehabilitation plan have had on employer attrition and retention levels is not clear. When the Rehabilitation Plan was adopted, the Pension Fund had 53 contributing employers making contributions on behalf of 2,459 active participants. Since then, 29 contributing employers have withdrawn from the Pension Fund and there are now 1,076 active participants. Whether these withdrawals were related to the past contribution increases, however, cannot be objectively determined. With respect to the impact that anticipated contribution increases may have on employer attrition and retention levels, the Board has concluded that if the partitioning and Benefit Suspension Applications are approved, employer attrition will likely cease and retention will improve as contributing employers will become incentivized to continue participation and reduce their withdrawal liability exposure.

Section 4. Demonstration That the Pension Fund's Proposed Suspension Satisfies the Statutory Requirements

4.01 Demonstration That Limitations on Individual Suspensions Are Satisfied.

See Exhibit 9 for a demonstration of how the proposed suspension of benefits satisfies the limitations described in Sections 432(e)(9)(D)(i)-(iii). The attached exhibit includes three separate illustrations required under this Section 4.01 of the Revenue Procedure including: (1) a sample calculation applying the 110 percent limitation under Section 432(e)(9)(D)(i) for the Pension Fund's participants; (2) a sample calculation applying the age-based limitations of Section 432(e)(9)(D)(ii); and (3) a sample calculation applying the disability limitation under Section 432(e)(9)(D)(iii).

4.02 Demonstration that the Proposed Suspension Is Reasonably Estimated to Enable the Pension Fund to Avoid Insolvency.

See Exhibit 10 for a demonstration that, in accordance with Section 432(e)(9)(D)(iv), the proposed benefit suspension, if coupled with the Pension Fund's proposed partition, is reasonably estimated to enable the Pension Fund to avoid insolvency. Even though the Pension Fund is not a plan that is described in Section 432(e)(9)(B)(v)(I), we have included stochastic projections demonstrating that the Pension Fund will likely avoid insolvency.

4.03 Demonstration that the Proposed Suspension Is Reasonably Estimated to Not Materially Exceed the Level Necessary to Avoid Insolvency.

This demonstration is not applicable because the Pension Fund is seeking a partition under ERISA Section 4233 in combination with a benefits suspension. All benefits will be suspended under the Pension Fund to the maximum extent permitted by law.

4.04 Demonstration that the Proposed Benefit Suspension Is Distributed Equitably.

As of March 1, 2016, the Pension Fund had 9,896 participants, beneficiaries and alternate payees, including 9,109 participants, 765 beneficiaries and 22 alternate payees. Before a suspension of benefits, the average monthly benefit is \$237.75. After a suspension of benefits, and taking into account the individual limitations imposed by law, the average monthly benefit would be \$219.90. The aggregate present value of the reduction in benefits for all individuals is \$12,284,782 (valued as of March 1, 2016 based upon the actuary's funding assumptions). See **Exhibit 11** for a demonstration of the distribution of the benefits suspension, including the number of individuals whose benefits will not be reduced, and the number of individuals whose benefit reductions will fall within a series of ranges in ten percent increments as required pursuant to Section 4.04(1)(b) of Revenue Procedure 2016-27.

4.05 Notice

The following describes the Board's methods for satisfying the notice requirements of Section 432(e)(9)(F):

(1) Individual Notices

See **Appendix A** for each type of notice that has been provided to the participants and beneficiaries of the Pension Fund.

(2) Efforts to Contact Missing Participants

The Pension Fund has provided notice of the proposed suspension of benefits to (i) active participants, retirees, beneficiaries and alternate payees, (ii) each employer that has an obligation to contribute to the Pension Fund and (iii) each employee organization that represents the participants employed by each contributing employer. Only written notices have been sent. The Pension Fund has not provided electronic notices.

As a national multiemployer pension plan with a significant number of terminated vested participants, the Pension Fund experiences, from time to time, a number of missing participants, particularly those who are no longer in active service. In connection with this suspension of benefits application, in order to find missing participants, the Fund undertook a number of efforts to locate them, including, as appropriate, contacting local unions associated with the missing participants, contacting the missing participants' former employers to obtain updated contact information and utilizing various

internet-based search tools. After exhausting these efforts, the Pension Fund contracted with TransUnion LLC, a commercial locator service that has access to robust search databases, to help locate missing participants. When the Pension Fund contracted with TransUnion, the Fund had 1,244 missing participants. TransUnion conducted searches for all of those missing participants and found addresses for 1,124 of them, a success rate of 90.35%.

Set forth below is an excerpt of a recent report received from TransUnion supplying addresses for the 1,124 newly located participants.

active vested1.csv	Batch ID# 26532511
Up to 5 Full Names, Best 3 Addresses, Best 3 Phones	Returned: Thu Jul 28 2016
Total Records	1244
Records Found	1124 90.35%
Records Not Found	120 9.65%
Hits Returned	1124 90.35%
Price Per Record	\$0.90
Invoice Price	\$1119.60



To date, the Fund still has 120 missing participants, slightly more than 1% of its total participants. The Pension Fund will continue its efforts to locate these missing participants.

(3) Notices will not be delivered electronically.

(4) List of Contributing Employers

(a) The following is a list of the contributing employers that have an obligation to contribute to the Pension Fund within the meaning of ERISA Section 4212(a):

Employer Name

UFW Insurance	Steinway & Sons
UFW Pension	Matos Refrigeration
Local 76B	Eastern Wood Products
Local 262	Pennsylvania Bedding
Local 9400	Klise Manufacturing Company
Bauerschmidt & Sons	Simmons Company
Bielecky Brothers	Architectural Plywood Inc
Viziflex Seels	Premier Restoration

Rollhaus Brothers	Westside Wood Refinishing
Vitobob	Sealy Mattress
Sealy Mattress	Sealy Mattress Company
Rollhaus Brothers	Office Furn. Svc.

(b) List of Employee Organizations Representing Participants Under the Pension Fund

Local

Local 76B	Local 415
Local 102	Local 501/628
Local 123	Local 9400
Local 262	International Unit

Section 5. Plan Sponsor Determination Relating to Reasonable Measures Taken to Avoid Insolvency

5.01 Measures Taken to Avoid Insolvency

See Discussion in Section 3.03(1)(i) – (xvi), above.

5.02 Plan Factors

See Discussion in Section 3.03(2)(i) – (viii), above.

5.03 How Plan Factors Were Taken Into Account

See Discussion in Section 3.03(2)(ix) – (x), above.

5.04 Other Factors Considered

Steinway is the second largest contributing employer to the Pension Fund. In June 2015, Steinway, through its counsel, contacted Plan counsel and advised that its labor agreement with CWA Local 81102, F.W., I.U.E.-C.W.A., AFL-CIO (“Local 81102”) was due to expire on December 31, 2015, and that negotiations for a successor agreement would commence in the next few months. Steinway’s representatives asked Plan counsel if the Pension Fund’s board of trustees would be considering a joint partition/benefits suspension as contemplated by MPRA. Further, they advised that if the Pension Fund is not inclined to file applications seeking a joint partitioning and benefit suspension under MPRA, Steinway would likely negotiate a complete withdrawal from the Pension Fund during the 2015 negotiations.

In July 2015, Plan counsel advised Steinway’s representatives that its proposal to meet with the Board would be discussed at the Board’s August 2015 meeting.

In October 2015, Steinway's representatives met with Plan counsel to discuss whether the Pension Fund's board of trustees would be pursuing the benefit suspension/partitioning process. During this meeting, Steinway's attorneys advised Plan counsel that if the Pension Fund does not seek a joint partition/Benefits Suspension Application with the PBGC and the Treasury Department, Steinway will likely exercise its right to withdraw from the Pension Fund when its labor agreement with Local 81102 expires in January 2016.

Steinway is a significant contributing employer to the Pension Fund. The company contributed \$1,461,891 to the Pension Fund in Plan year ending February 2016, which represented approximately 39% of the Fund's total annual contributions.

Section 6. Other Required Information

6.01 Ballot

See Exhibit 12 for a proposed ballot intended to satisfy the requirements of Section 432(e)(9)(H)(iii) (without the statement in opposition to the proposed benefit suspension described in Section 4329(e)(9)(H)(iii)(II) or the individualized estimate that was provided as part of the notice described in Section 432(e)(9)(F)).

6.02 Partition

The Board is requesting approval from the PBGC of a proposed partition under Section 4233 of ERISA, with a proposed effective date of May 1, 2017. **See Exhibit 13** for a year-by-year projection of the amount of the reduction in benefit payments that would be attributable to the partition.

6.03 Ten-Year Experience for Certain Critical Assumptions

See Exhibit 14 for a disclosure of the Pension Fund's experience with respect to certain critical assumptions for each of the 10 Plan Years immediately preceding the Plan Year in which the Application is submitted, separately identifying (1) total contributions, (2) total contribution base units, (3) average contribution rates, (4) withdrawal liability payments, and (5) rate of return on plan assets.

6.04 Determination of Sensitivity of Projections

See Exhibit 15 for the following separate projections: (1) a reduction of 1% in the Plan's assumed rate of return of assets; (2) a reduction of 2% in the Plan's assumed rate of return on assets; (3) a change in the assumed future contribution base units from a 0% change year over year to a 16.9% annual reduction for the next ten years; and (4) a change in the assumed future contribution base units from a 0% change year over year to a 17.9% annual reduction for the next ten years.

6.05 Projection of funded percentage

See Exhibit 16 for the Board's illustration, prepared on a deterministic basis, of the projected value of Plan assets, the accrued liability of the Plan (calculated using the

unit credit funding method) and the funded percentage for each year in the Pension Fund's extended period.

6.06 Plan Sponsor Certification Relating to Plan Amendments

See Exhibit 17 for the Board's certification that if they receive final authorization to implement the suspension of benefits as described in Section 432(e)(9)(H)(vi), and choose to implement the authorized suspension, then, in addition to the plan amendment implementing the suspension, the following plan amendments will be timely adopted and not modified at any time thereafter before the suspension of benefits expires: (1) a plan amendment providing that, in accordance with Section 432(e)(9)(C)(ii), the benefit suspension will cease as of the first day of the first Plan year following the Plan year in which the Board fails to determine that both: (a) all reasonable measures to avoid insolvency continue to be taken during the period of the benefit suspension and (b), the Plan is projected to become insolvent unless benefits continue to be suspended, and (2) a plan amendment providing that any future benefit improvements must satisfy the requirements of Section 432(e)(9)(C).

6.07 Whether the Pension Fund Is Described in Section 432(e)(9)(D)(vii)

The Pension Fund is not a plan described in Section 432(e)(9)(D)(vii).

6.08 Optional Additional Information

See Discussion in Section 3.03(2)(viii), above.

Section 7. Identification and Background Information on the Pension Fund

7.01 Plan Sponsor

The Plan Sponsor is the Board of Trustees of the United Furniture Workers Pension Fund A. The address of the Pension Fund is 1910 Air Lane Drive Nashville, TN. The Pension Fund's telephone number is 615-889-8860. Its email address is ufw.pfa@ufwip.com and its fax number is 615-391-0865. The Board of Trustees does not have a separate employer identification number.

7.02 Plan Identification

The name of the Pension Fund is the United Furniture Workers Pension Fund A. The Pension Fund has been assigned the Plan Number 001. Its Employer Identification Number (EIN) is 13-5511877. The Plan is a multiemployer pension plan within the meaning of Code Section 414(f) and ERISA Section 3(37).

7.03 Retiree Representative

The Pension Fund is not required to appoint a Retiree Representative under the Regulations as it is not a plan with 10,000 or more participants, based on the Pension Fund's most recently filed Form 5500. The Board has not elected to appoint a Retiree Representative.

7.04 Pension Fund's Enrolled Actuary

Christian Benjaminson, FSA, EA (Chieron, Inc.)
Enrollment #: 14-07015
703-893-1456 x1002
cbenjaminson@chieron.us
1000 Atrium Way, Suite 403, Mount Laurel, NJ 08054

7.05 Power of Attorney

The Pension Fund's designation of power of attorney is set forth in **Appendix B**.

7.06 Plan Documents

See **Exhibit 18** for the Pension Fund's most recently restated Plan document, the most recent summary plan description as defined under Section 102 of ERISA and any subsequent summaries of material modifications, and the Pension Fund's most recent IRS determination letter.

7.07 Excerpts of Collective Bargaining and Side Agreements

The Pension Fund receives contributions from contributing employers pursuant to various collective bargaining agreements. Excerpts of the collective bargaining agreements and other side agreements that relate to the Pension Fund are contained in **Appendix C**.

7.08 Annual Return

See **Exhibit 19** for the following sections of the Pension Fund's most recently filed Form 5500: (1) pages 1 and 2 of the Form 5500, (2) Schedule MB, including attachments, and (3) the Schedule R with attachments.

7.09 Rehabilitation Plan

See **Exhibit 4** for a copy of the Pension Fund's most recently updated Rehabilitation Plan.

7.10 Completed Checklist

The Checklist of information required to be included in the Pension Fund's Application has been completed and, pursuant to the requirements of Revenue Procedure 2016-27, has been placed on the top of the Application.

7.11 Request for a Meeting

We respectfully request an in-person meeting to discuss the issues involved if the Secretary raises any concerns with this Application.

The Board very much appreciates Treasury's willingness to review this important matter and Application for the Pension Fund. Should you have any questions or require any additional information, please contact the Pension Fund's counsel, Kyle Flaherty, at (212) 541-2134.

Very truly yours,

Redacted by the U.S. Department of the Treasury

Name:

Date:

Title: Chairman, United Furniture Workers Pension Fund A

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Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits
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EXHIBIT 1

EIN: 13-5511877/PN:001

Penalty of Perjury Statement/Public Disclosure Statement

Pursuant to Sections 2.03 and 2.04 of IRS Revenue Procedure 2016-27, the undersigned Trustee, as Chairman of the Board of Trustees of the United Furniture Workers Pension Fund A, makes the following two statements:

Under penalties of perjury, I declare that I have examined this request, including accompanying documents, and, to the best of my knowledge and belief, the request contains all relevant facts relating to the request, and such facts are true, correct, and complete.

I acknowledge that, pursuant to Section 432(e)(9)(G)(ii) of the Internal Revenue Code, the application for approval of the proposed suspension of benefits, and the application's supporting material, will be publicly disclosed through publication on the Treasury Department website.

Redacted by the U.S. Department of the
Treasury

Name

Date:

8-11-16

Title: Chairman of the Board of Trustees

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Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits

EIN: 13-5511877/PN:001
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EXHIBIT 2

- Plan Actuary's Certification of Critical and Declining Status.

United Furniture Workers Pension Fund A

EIN: 13-5511877 / PN: 001

***Revenue Procedure 2016-27, Section 3.01
Certification of Critical & Declining Status***

As required by Section 3.01 of Revenue Procedure 2016-27, we certify, for the plan year beginning March 1, 2016, that the Fund is classified as being in Critical and Declining status as this term is described in Section 432(b) of the Code and Section 305(b) of ERISA as amended by the Multiemployer Pension Reform Act of 2014. This certification is supported by the data in Appendix I and the analysis and projections are based on the assumptions and methods in Appendix II.

To the best of our knowledge, this certification and its contents have been prepared in accordance with the requirements of Revenue Procedure 2016-27 and generally recognized and accepted actuarial principles and practices that are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this certification. This certification does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Also, the certification was prepared exclusively for the United Furniture Workers Pension Fund A for the purpose described herein. Other users of this certification are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

Finally, in preparing this certification, we have relied on information supplied by the Fund Office and the Board of Trustees. This information includes, but is not limited to, plan provisions, employee data, financial information, and expectations of future industry activity. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice #23. Future analysis may differ significantly from those presented in this certification due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.

Redacted by the U.S.
Department of the Treasury

Gene Kulwarski, FSA, EA (14-02845)

Redacted by the U.S. Department of
the Treasury

Christian Benjaminson, FSA, EA (14-07015)

Attachments: Appendix I: Detail for Actuarial Certification
Appendix II: Methodology and Assumptions

APPENDIX I – DETAIL FOR ACTUARIAL CERTIFICATION

Below we show support for the certification that the Fund is in Critical and Declining status for the plan year beginning March 1, 2016. Pursuant to Section 432(b)(6) the Fund is in Critical status as described in subgraph (B) and is projected to become insolvent within the meaning of Section 418E within the next five plan years. Support for both is shown below based on the assumptions in Appendix II.

Please note, the amounts shown differ from the projections included in the March 1, 2016 PPA Certification dated May 27, 2016. The PPA Certification was based on projections using the March 1, 2015 Actuarial Valuation whereas this analysis is based on the results of the March 1, 2016 valuation.

CRITICAL STATUS

The Fund is in Critical status because it is projected to have an accumulated funding deficiency for the current plan year in accordance with Section 432(b)(2)(B)(i) of the Code. See projection below.

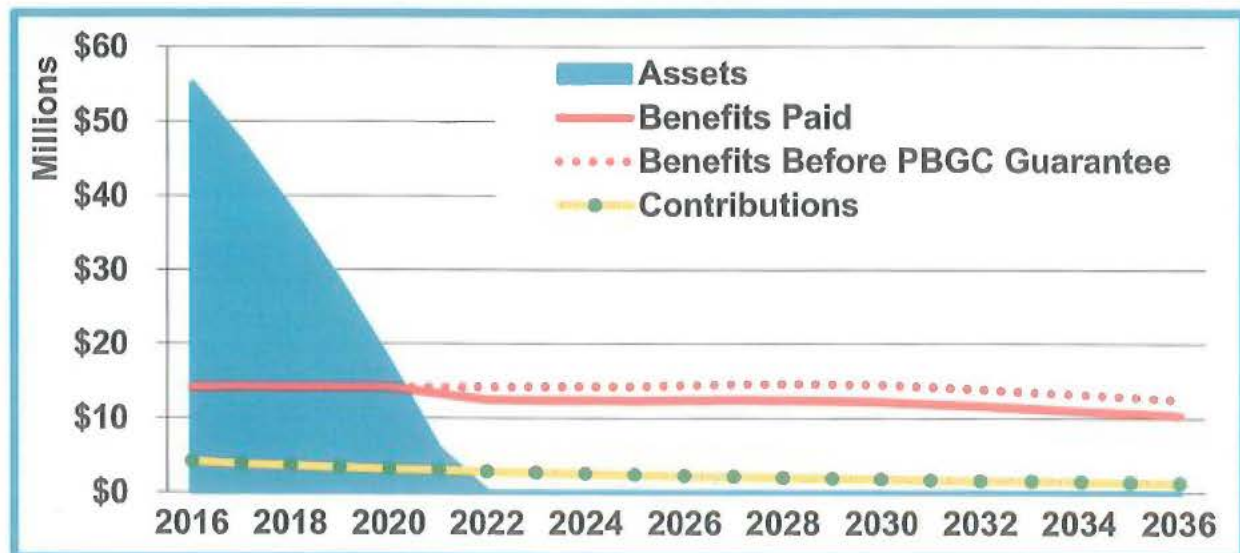
Date	Credit	adjusted with interest to end of year		
	Balance	Charges	Credits	Contributions
3/1/2016	\$ (48,290,593)	\$ 19,898,007	\$ 2,768,847	\$ 4,342,078
3/1/2017	(64,337,290)			

SOLVENCY PROJECTION

We provide the following projection showing the Fund insolvent during the Plan Year beginning March 1, 2021; see below for both graphical and tabular format. Please note, if we assume the Fund earns 2.00% for the Plan Year ending Feb 2017, increasing by 1% per year for the next four years, followed by 6.75% thereafter, the Fund would be projected insolvent in the Plan Year beginning March 1, 2020. We provide the tabular results for this alternative scenario on the following page.

GRAPHICAL:

The graph below shows the projected solvency and cash flows. The shaded area is the Plan's Market Value of Assets, the solid red line are the Benefit Payments, the dotted red line are the Benefit Payments before cutting to the PBGC Guarantee, and the yellow line are the Contributions.



APPENDIX I – DETAIL FOR ACTUARIAL CERTIFICATION

TABULAR:

Valuation Assumption: *6.75% per year. Note, the first year begins with the estimated assets as of July 1, 2016 based on a four month return of 5.17%. In this scenario we assume the Fund would earn 4.45% (based on the 6.75% annual assumption) for the final eight months for an annual return of 9.85%.*

Period Beginning	Assumed Annual Return	(i)	(ii)	(iii)	(iv)					(v)	(vi)	(vii)
		Beginning MVA	Contributions	Withdrawal Liability Payments	Benefit Payments					Administrative Expenses	Investment Earnings	Ending MVA
					Active	Future New Entrants	Retiree	Terminated Vested	Beneficiary			
7/1/2016	9.85%	\$54,542,427	\$2,530,075	\$271,630	\$196,595	\$0	\$8,215,534	\$419,740	\$629,619	\$941,081	\$1,815,429	\$48,756,992
3/1/2017	6.75%	\$48,756,992	3,603,460	201,274	667,521	0	11,813,711	853,041	897,053	1,411,622	2,898,081	39,816,859
3/1/2018	6.75%	\$39,816,859	3,421,485	200,742	990,226	0	11,295,850	1,076,441	850,047	1,411,622	2,289,186	30,104,086
3/1/2019	6.75%	\$30,104,086	3,248,700	65,506	1,268,386	0	10,778,495	1,336,490	803,650	1,411,622	1,624,196	19,443,845
3/1/2020	6.75%	\$19,443,845	3,084,641	64,158	1,543,740	0	10,268,208	1,630,516	758,067	1,411,622	898,690	7,879,180
3/1/2021	6.75%	\$7,879,180	2,928,866	64,158	1,673,729	0	9,377,963	1,838,820	703,218	1,411,622	133,048	0

Stress Testing Scenario: *2.00% for the plan year ending Feb 2017, increasing by 1% per year for the next four years, followed by 6.75% thereafter. Note, the first year begins with the estimated assets as of July 1, 2016 based on a four month return of 5.17%. However, because in this stress-testing scenario we assume the Fund would earn 2.00% as an annual return, the last eight months would return negative 3%.*

Period Beginning	Assumed Annual Return	(i)	(ii)	(iii)	(iv)					(v)	(vi)	(vii)
		Beginning MVA	Contributions	Withdrawal Liability Payments	Benefit Payments					Administrative Expenses	Investment Earnings	Ending MVA
					Active	Future New Entrants	Retiree	Terminated Vested	Beneficiary			
7/1/2016	2.00%	\$54,542,427	\$2,530,075	\$271,630	\$196,595	\$0	\$8,215,534	\$419,740	\$629,619	\$941,081	-\$2,087,852	\$44,853,711
3/1/2017	3.00%	\$44,853,711	3,603,460	201,274	667,521	0	11,813,711	853,041	897,053	1,411,622	1,169,350	34,184,847
3/1/2018	4.00%	\$34,184,847	3,421,485	200,742	990,226	0	11,295,850	1,076,441	850,047	1,411,622	1,129,708	23,312,597
3/1/2019	5.00%	\$23,312,597	3,248,700	65,506	1,268,386	0	10,778,495	1,336,490	803,650	1,411,622	862,265	11,890,425
3/1/2020	6.00%	\$11,890,425	3,084,641	64,158	1,537,430	0	10,247,924	1,627,681	757,531	1,411,622	345,857	0

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

A. Actuarial Assumptions

1. Investment Return (net of investment expenses)

Valuation Assumption: 6.75% per year
Stress Testing Scenario: 2.00% for the plan year ending Feb 2017, increasing by 1% per year for the next four years, followed by 6.75% thereafter

The Investment Consultant provided the estimated Market Value of Assets in the portfolio as of July 1, 2016; the amount was adjusted to account for cash and receivables. They estimated a return of 5.17% over the first four months of the fiscal year. For the scenario where the Fund earns 6.75% in all years we assumed the Fund would earn 4.45% (based on the 6.75% assumption) for the final eight months for an annual return of 9.85%. However, because we assumed in the stress testing scenario the Fund would earn 2.00% as an annual return, the last eight months would need to return negative 3%.

2. Administrative Expenses

Expenses are assumed to remain level as future inflation is offset by declines in total plan participation. These expenses are allocated between the Original Plan and Successor Plan based on projected headcounts with PBGC premiums paid by the Original Plan for the 10-year period following the partition effective date (premiums are assumed to increase 1% per year). For scenarios where the Plan is projected insolvent, we assume expenses would be reduced 25% in the plan year following insolvency. Finally, expenses are limited to 20% of expected benefit payments in scenarios where the PBGC provides financial assistance in either the Successor Plan or after insolvency.

3. Rates of Mortality

- Healthy Lives: RP2000 with blue collar adjustment projected five-years with scale AA
- Disabled Lives: same with ages set-forward five years

Terminated Vested Participants over age 80 are assumed to be deceased.

In accordance with Actuarial Standard of Practice #35, we have considered the effect of mortality improvement prior to and subsequent to the measurement date in developing this assumption. Furthermore, historical mortality experience has conformed with the RP2000 table with adjustment.

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

4. Rates of Turnover

Terminations of employment for reasons other than death, disability or retirement are assumed to be in accordance with annual rates as shown below for illustrative ages.

Age	Service			
	0 - 1	1 - 2	2 - 3	3+
25	20.5%	20.5%	19.0%	15.0%
35	16.9	16.9	16.9	11.3
45	15.0	15.0	12.4	7.8
55	15.0	15.0	7.0	7.0
62	15.0	15.0	7.0	7.0

5. Rates of Disability

Illustrative rates of disablement are shown below:

Age	Rate
25	0.050%
35	0.065
45	0.244
55	0.406
65	0.000

6. Rates of Retirement

Annual rates as shown below for illustrative ages.

Age	Rate
55-59	3.00%
60	5.00
61	10.00
62-64	15.00
65-69	50.00
70	100.00

7. Normal Form

Life Annuity

8. Changes in Membership / Contribution Base Units

Based on the Trustees' Industry Activity assumption used in the most recent PPA Certification assuming membership will decline 10% per year.

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

9. New Entrant Profile

New entrants are assumed to annually join the Plan in accordance with the distribution below (which is based on the Plan's most recent five-year history of new entrants) and in combination with the Changes in Membership assumption. The benefits for new entrants (normal cost and projected benefit payments) are adjusted such that the total normal cost remains consistent over the baseline projection.

Age	Distribution of New Entrants
23	22%
28	19
33	13
37	11
43	15
47	10
53	10

10. Contribution Increases / Average Contribution Rate

The current Rehabilitation Plan assumes 5.5% per year annual increases. However, after the effective date of the suspension / partition we assume contributions increase with inflation at 1.5% per year. These increases are applied annually to the average weighted contribution rate to estimate employer contributions in combination with the Changes in Membership assumption.

11. Justification for Actuarial Assumptions

The rationale for our 6.75% actuarial valuation assumption is based on the investment manager's capital market outlook, Trustees' risk preference, and the Fund's current asset allocation. The rationale for our stress testing scenario (2.00% for the plan year ending Feb 2017, increasing by 1% per year for the next four years, followed by 6.75% thereafter) is based on recognizing current market conditions and future short-term expectations along with the Plan's cash flow characteristics. Our demographic assumptions were initially set after a 2007 Experience Study and are annually reviewed based upon actual experience.

12. Changes in Assumptions Since Last Valuation

None

B. Actuarial Funding Method

The cost method for determining liabilities for this valuation is the Unit Credit Cost method. This is one of a family of valuation methods known as accrued benefit methods. The chief characteristic of accrued benefit methods is that the funding pattern follows the pattern of benefit accrual. The normal cost is determined as that portion of each participant's benefit attributable to service expected to be earned in the upcoming plan year. The Actuarial Liability, which is determined for each participant as of each valuation date, represents the actuarial present value of the portion of each participant's benefit attributable to service earned prior to the valuation date.

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Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits

EIN: 13-5511877/PN:001
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EXHIBIT 3

- Plan Actuary's Certification that the Pension Fund is Projected to Avoid Insolvency.

United Furniture Workers Pension Fund A

EIN: 13-5511877 / PN: 001

***PBGC Regulation §4233.7(a)(6) & Revenue Procedure 2016-27, Section 3.02
Actuarial Certification under Internal Revenue Code §432(e)(9)(C)(i)
and Employee Retirement Income Security Act of 1974 §305(e)(9)(C)(i)
Fund avoids insolvency with Partition & Suspension***

As required by PBGC Regulation §4233.7(a)(6), Section 3.02 of Revenue Procedure 2016-27, Section 432(e)(9)(C)(i) of the Internal Revenue Code (“Code”), and Section 305(e)(9)(C)(i) of the Employee Retirement Income Security Act of 1974 (“ERISA”), we certify the Fund is projected to avoid insolvency taking into account the maximum suspension permitted (in accordance with ERISA Section 305(e)(9)(D)(i) and consistent with Section 305(e)(9)(D)(iv) and the regulations thereunder) and the proposed partition with an effective date of May 1, 2017. This certification is supported by the data in Appendix I and the analysis and projections are based on the assumptions and methods in Appendix II.

To the best of our knowledge, this certification and its contents have been prepared in accordance with the requirements of PBGC Regulation §4233.7(a)(6), Section 3.02 of Revenue Procedure 2016-27, and consistent with Code Section 432(e)(9)(C)(i) and ERISA Section 305(e)(9)(C)(i) and generally recognized and accepted actuarial principles and practices that are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this certification. This certification does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Also, this certification was prepared exclusively for the United Furniture Workers Pension Fund A for the purpose described herein. Other users of this certification are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

Finally, in preparing this certification, we have relied on information supplied by the Fund Office and the Board of Trustees. This information includes, but is not limited to, plan provisions, employee data, financial information, and expectations of future industry activity. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice #23. Future analysis may differ significantly from those presented in this certification due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.

Redacted by the U.S.
Department of the Treasury

Gene Kalwarski, FSA, EA (14-02845)

Redacted by the U.S. Department
of the Treasury

Christian Benjaminson, FSA, EA (14-07015)

Attachments: Appendix I: Detail for Actuarial Certification
Appendix II: Methodology and Assumptions

APPENDIX I – DETAIL FOR ACTUARIAL CERTIFICATION

SOLVENCY PROJECTION

Based on the assumptions in Appendix II, we provide the following projection showing the Fund would remain solvent if the application for partition and the application for suspension of benefits are granted. The projections assume that effective May 1, 2017 the Fund implemented the maximum suspension permitted (in accordance with ERISA Section 305(e)(9)(D)(i) and consistent with Section 305(e)(9)(D)(iv) and the regulations thereunder) and partitioned to the Successor Plan 100% of the liability associated with the terminated vested participants and 49% of the liability associated with the retirees and beneficiaries. All liability associated with the active participants would remain in the Original Plan.

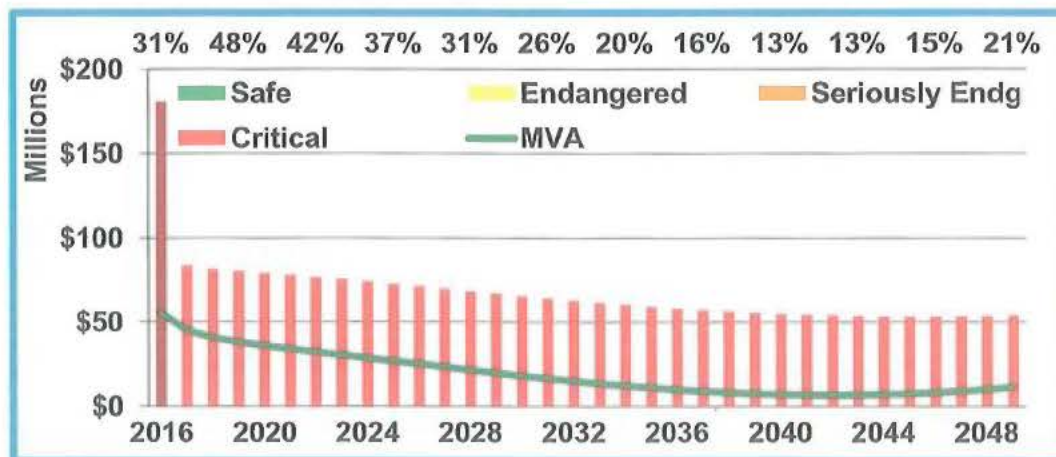
This determination was made by solving for the minimum amount of liability to partition to the Successor Plan that would allow the Original Plan to remain solvent under the stress-testing scenario, which assumes the Fund earns 2.00% for the plan year ending Feb 2017, increasing by 1% per year for the next four years, followed by 6.75% thereafter. Note, the first year begins with the estimated assets as of July 1, 2016 based on a four month return of 5.17%. However, because we assumed in the stress testing scenario the Fund would earn 2.00% as an annual return, the last eight months would need to return negative 3%. Alternatively, if we assume the Fund earns 6.75% in all years (including a total return for the current fiscal year of 9.85%), the minimum amount to partition to the Successor Plan would be 100% of the liability associated with the terminated vested participants and 41% of the liability associated with the retirees and beneficiaries.

As noted in Appendix II, this projection also assumes the PBGC would provide financial assistance to the Successor Plan for the annual benefit payments partitioned to the Successor Plan as well as an allocation of administrative expenses. Furthermore, under this scenario we assume stable membership with contributions increasing 1.5% per year (inflation). This is different than other scenarios showing continuation of the 10% per year membership declines (which is the Trustees' industry activity assumption if the partition and suspension are not implemented) and 5.5% per year annual increases in contributions.

See below for the projection in both graphical and tabular format.

GRAPHICAL:

The graph below compares the Plan's assets and liabilities. The bars represent the Plan's liabilities and the colors shown represent the expected PPA zone (e.g. red is critical). The lines represent Plan's Market Value of Assets with the funded ratios (assets divided liabilities) shown along the top of the graph.



APPENDIX I – DETAIL FOR ACTUARIAL CERTIFICATION

TABULAR:

Period Beginning	Assumed Annual Return	(i)	(ii)	(iii)	(iv)					(v)	(vi)	(vii)
		Beginning MVA	Contributions	Withdrawal Liability Payments	Benefit Payments					Administrative Expenses	Investment Earnings	Ending MVA
					Active	Future New Entrants	Retiree	Terminated Vested	Beneficiary			
7/1/2016	2.00%	\$54,542,427	\$2,530,075	\$271,630	\$196,595	\$0	\$8,215,534	\$419,740	\$629,619	\$941,081	-\$2,087,852	\$44,853,711
3/1/2017	3.00%	44,853,711	3,654,366	201,274	600,580	0	7,131,774	178,094	531,913	822,981	1,265,065	40,709,074
3/1/2018	4.00%	40,709,074	3,709,181	200,742	864,020	0	5,922,088	43,254	434,869	704,553	1,547,982	38,198,194
3/1/2019	5.00%	38,198,194	3,764,819	65,506	1,100,998	0	5,649,272	65,528	411,153	704,717	1,808,627	35,905,479
3/1/2020	6.00%	35,905,479	3,821,291	64,158	1,333,727	0	5,380,111	84,464	387,848	705,713	2,035,887	33,934,953
3/1/2021	6.75%	33,934,953	3,878,611	64,158	1,567,961	0	5,112,776	91,642	365,041	707,556	2,161,060	32,193,807
3/1/2022	6.75%	32,193,807	3,936,790	60,813	1,799,861	103	4,848,030	129,960	342,809	710,218	2,045,818	30,406,246
3/1/2023	6.75%	30,406,246	3,995,842	57,456	2,019,421	729	4,586,361	137,361	321,217	713,726	1,928,739	28,609,469
3/1/2024	6.75%	28,609,469	4,055,779	57,456	2,219,099	2,432	4,328,164	162,065	300,315	718,131	1,811,060	26,803,556
3/1/2025	6.75%	26,803,556	4,116,616	57,456	2,402,216	5,616	4,073,856	181,634	280,131	723,354	1,693,285	25,004,107
3/1/2026	6.75%	25,004,107	4,178,365	43,216	2,553,541	10,509	3,823,865	246,173	260,711	729,724	1,574,803	23,175,969
3/1/2027	6.75%	23,175,969	4,241,041	26,976	2,690,588	17,701	3,578,621	262,194	242,068	737,104	1,456,141	21,371,851
3/1/2028	6.75%	21,371,851	4,304,656	26,976	2,820,107	28,722	3,338,575	303,358	224,221	671,393	1,341,186	19,658,293
3/1/2029	6.75%	19,658,293	4,369,226	22,546	2,936,799	44,103	3,104,205	307,663	207,171	683,598	1,230,931	17,997,457
3/1/2030	6.75%	17,997,457	4,434,765	16,645	3,041,139	63,230	2,876,008	320,508	190,941	697,060	1,123,947	16,383,928
3/1/2031	6.75%	16,383,928	4,501,286	12,232	3,117,794	85,828	2,654,502	305,669	175,525	711,305	1,021,686	14,868,510
3/1/2032	6.75%	14,868,510	4,568,805	6,143	3,167,949	112,369	2,440,197	322,222	160,916	726,651	925,429	13,438,584
3/1/2033	6.75%	13,438,584	4,637,337	6,143	3,198,950	144,767	2,233,672	319,920	147,112	743,098	835,925	12,130,471
3/1/2034	6.75%	12,130,471	4,706,897	6,143	3,195,245	183,323	2,035,465	331,524	134,119	760,672	754,822	10,957,985
3/1/2035	6.75%	10,957,985	4,777,501	6,143	3,210,407	227,021	1,846,076	337,465	121,911	779,291	681,947	9,901,404
3/1/2036	6.75%	9,901,404	4,849,163	0	3,213,070	275,190	1,666,008	342,857	110,485	798,961	616,641	8,960,637
3/1/2037	6.75%	8,960,637	4,921,901	0	3,180,146	330,487	1,495,741	335,932	99,819	819,601	560,362	8,181,174
3/1/2038	6.75%	8,181,174	4,995,729	0	3,132,280	398,056	1,335,669	339,177	89,895	840,983	514,372	7,555,215
3/1/2039	6.75%	7,555,215	5,070,665	0	3,066,166	472,132	1,186,114	331,533	80,699	863,094	479,133	7,105,277
3/1/2040	6.75%	7,105,277	5,146,725	0	3,005,325	550,064	1,047,303	317,961	72,204	885,790	455,307	6,828,661

APPENDIX I – DETAIL FOR ACTUARIAL CERTIFICATION

TABULAR (continued):

		(i)	(ii)	(iii)	(iv)					(v)	(vi)	(vii)
				Withdrawal Liability Payments	Benefit Payments					Administrative Expenses	Investment Earnings	End of Year MVA
Plan Year Beginning	Assumed Return	Beginning of Year MVA	Contributions		Active	Future New Entrants	Retiree	Terminated Vested	Beneficiary			
3/1/2041	6.75%	\$6,828,661	\$5,223,926	\$0	\$2,939,482	\$630,714	\$919,361	\$313,073	\$64,381	\$909,085	\$442,603	\$6,719,094
3/1/2042	6.75%	6,719,094	5,302,285	0	2,841,632	716,497	802,295	319,803	57,208	933,022	441,316	6,792,238
3/1/2043	6.75%	6,792,238	5,381,819	0	2,747,483	812,198	695,957	298,898	50,671	957,195	452,481	7,064,135
3/1/2044	6.75%	7,064,135	5,462,547	0	2,654,337	909,867	600,131	289,351	44,729	981,614	476,249	7,522,902
3/1/2045	6.75%	7,522,902	5,544,485	0	2,544,525	1,008,237	514,439	277,356	39,361	1,006,002	512,927	8,190,395
3/1/2046	6.75%	8,190,395	5,627,652	0	2,430,470	1,106,874	438,391	260,958	34,541	1,030,192	563,682	9,080,303
3/1/2047	6.75%	9,080,303	5,712,067	0	2,293,974	1,210,854	371,469	246,347	30,232	1,053,998	629,692	10,215,188
3/1/2048	6.75%	10,215,188	5,797,748	0	2,158,921	1,328,515	313,032	229,163	26,398	1,077,521	711,576	11,590,964
3/1/2049	6.75%	11,590,964	5,884,714	0	2,025,378	1,445,680	262,400	213,092	22,998	1,100,499	809,436	13,215,066
3/1/2050	6.75%	13,215,066	5,972,985	0	1,900,904	1,561,212	218,883	196,144	20,004	1,122,917	923,653	15,091,639

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

A. Actuarial Assumptions

1. Investment Return (net of investment expenses)

Valuation Assumption: 6.75% per year
Stress Testing Scenario: 2.00% for the plan year ending Feb 2017, increasing by 1% per year for the next four years, followed by 6.75% thereafter

The Investment Consultant provided the estimated Market Value of Assets in the portfolio as of July 1, 2016; the amount was adjusted to account for cash and receivables. They estimated a return of 5.17% over the first four months of the fiscal year. For the scenario where the Fund earns 6.75% in all years we assumed the Fund would earn 4.45% (based on the 6.75% assumption) for the final eight months for an annual return of 9.85%. However, because we assumed in the stress testing scenario the Fund would earn 2.00% as an annual return, the last eight months would need to return negative 3%.

2. Administrative Expenses

Expenses are assumed to remain level as future inflation is offset by declines in total plan participation. These expenses are allocated between the Original Plan and Successor Plan based on projected headcounts with PBGC premiums paid by the Original Plan for the 10-year period following the partition effective date (premiums are assumed to increase 1% per year). For scenarios where the Plan is projected insolvent, we assume expenses would be reduced 25% in the plan year following insolvency. Finally, expenses are limited to 20% of expected benefit payments in scenarios where the PBGC provides financial assistance in either the Successor Plan or after insolvency.

3. Rates of Mortality

- Healthy Lives: RP2000 with blue collar adjustment projected five-years with scale AA
- Disabled Lives: same with ages set-forward five years

Terminated Vested Participants over age 80 are assumed to be deceased.

In accordance with Actuarial Standard of Practice #35, we have considered the effect of mortality improvement prior to and subsequent to the measurement date in developing this assumption. Furthermore, historical mortality experience has conformed with the RP2000 table with adjustment.

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

4. Rates of Turnover

Terminations of employment for reasons other than death, disability or retirement are assumed to be in accordance with annual rates as shown below for illustrative ages.

Age	Service			
	0 - 1	1 - 2	2 - 3	3+
25	20.5%	20.5%	19.0%	15.0%
35	16.9	16.9	16.9	11.3
45	15.0	15.0	12.4	7.8
55	15.0	15.0	7.0	7.0
62	15.0	15.0	7.0	7.0

5. Rates of Disability

Illustrative rates of disablement are shown below:

Age	Rate
25	0.050%
35	0.065
45	0.244
55	0.406
65	0.000

6. Rates of Retirement

Annual rates as shown below for illustrative ages.

Age	Rate
55-59	3.00%
60	5.00
61	10.00
62-64	15.00
65-69	50.00
70	100.00

7. Normal Form

Life Annuity

8. Changes in Membership / Contribution Base Units

Based on the Trustees' Industry Activity assumption used in the most recent PPA Certification assuming membership will decline 10% per year. However, after the effective date of the suspension / partition we assume stable membership (see response to Section 6.03 of Revenue Procedure 2016-27 in the Benefit Suspension Application).

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

9. New Entrant Profile

New entrants are assumed to annually join the Plan in accordance with the distribution below (which is based on the Plan's most recent five-year history of new entrants) and in combination with the Changes in Membership assumption. The benefits for new entrants (normal cost and projected benefit payments) are adjusted such that the total normal cost remains consistent over the baseline projection.

Age	Distribution of New Entrants
23	22%
28	19
33	13
37	11
43	15
47	10
53	10

10. Contribution Increases / Average Contribution Rate

The current Rehabilitation Plan assumes 5.5% per year annual increases. However, after the effective date of the suspension / partition we assume contributions increase with inflation at 1.5% per year. These increases are applied annually to the average weighted contribution rate to estimate employer contributions in combination with the Changes in Membership assumption.

11. Suspension

The projection assumes the maximum suspension permitted in accordance with ERISA Section 305(e)(9)(D)(i) effective May 1, 2017.

12. Partition

The projection assumes 100% of the liability associated with the terminated vested participants and 49% of the liability associated with the retirees and beneficiaries are partitioned to the Successor Plan effective May 1, 2017. All liability associated with the active participants would remain in the Original Plan.

13. Justification for Actuarial Assumptions

The rationale for our 6.75% actuarial valuation assumption is based on the investment manager's capital market outlook, Trustees' risk preference, and the Fund's current asset allocation. The rationale for our stress testing scenario (2.00% for the plan year ending Feb 2017, increasing by 1% per year for the next four years, followed by 6.75% thereafter) is based on recognizing current market conditions and future short-term expectations along with the Plan's cash flow characteristics. Our demographic assumptions were initially set after a 2007 Experience Study and are annually reviewed based upon actual experience.

14. Changes in Assumptions Since Last Valuation

None

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

B. Actuarial Funding Method

The cost method for determining liabilities for this valuation is the Unit Credit Cost method. This is one of a family of valuation methods known as accrued benefit methods. The chief characteristic of accrued benefit methods is that the funding pattern follows the pattern of benefit accrual. The normal cost is determined as that portion of each participant's benefit attributable to service expected to be earned in the upcoming plan year. The Actuarial Liability, which is determined for each participant as of each valuation date, represents the actuarial present value of the portion of each participant's benefit attributable to service earned prior to the valuation date.

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Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits

EIN: 13-5511877/PN:001
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EXHIBIT 4

- UFW Pension Fund's First Amended Rehabilitation Plan.

**REHABILITATION PLAN OF THE
UNITED FURNITURE WORKERS PENSION FUND A**

ADOPTED: DECEMBER 3, 2008

FIRST AMENDMENT: DECEMBER 29, 2008

The United Furniture Workers Pension Fund A (the "Pension Fund") was certified on May 29, 2008 by its actuary as being in "critical status" as defined by the Pension Protection Act of 2006 (the "PPA"). The Pension Fund's Board of Trustees, as plan sponsor of the Pension Fund, is required under the PPA to develop a "Rehabilitation Plan," which is designed to improve the financial condition of the Pension Fund over time in accordance with standards set forth in the PPA. In order to comply with this statutory mandate, the Board of Trustees of the Pension Fund has adopted this Rehabilitation Plan, which will become effective on March 1, 2009, and will serve as an amendment to the Pension Fund's plan document.

Under this Rehabilitation Plan, Pension Fund retirees and beneficiaries with benefit commencement dates before March 1, 2009 and participants and former participants who either file for a pension benefit or otherwise become eligible for a benefit from the Pension Fund prior to March 1, 2009 shall not be affected by this Rehabilitation Plan to the extent permitted by applicable law. All other Pension Fund participants and former participants, except as otherwise provided herein, shall be subject to this Rehabilitation Plan.

As explained in greater detail below, this Rehabilitation Plan consists of two schedules, the Preferred Schedule and the Default Schedule. These schedules set forth the alternative benefits and contribution requirements under this Rehabilitation Plan. The Contributing Employers¹ and the CWA/IUE Local Unions (the "Bargaining Parties") will determine, through

¹ For purposes of this Rehabilitation Plan, a "Contributing Employer" shall mean any employer which is obligated to make contributions to the Pension Fund pursuant to the terms of a collective bargaining agreement or other written agreement requiring contributions to the Pension Fund.

collective bargaining, which schedule a Contributing Employer will elect for the benefit of its employees who participate in the Pension Fund. In addition, all Contributing Employers will be required to pay to the Pension Fund the surcharges mandated by ERISA Section 305(e)(7)(A), and as explained in Section 4(A) and (B) below, the increases mandated under both the Preferred Schedule and the Default Schedule shall be inclusive of the amount of the surcharges imposed on all Contributing Employers hereunder. Effective for bargaining unit work performed on or after August 1, 2008, the surcharge required by ERISA Section 305(e)(7)(A) is 5% of the contributions otherwise required under the applicable collective bargaining agreement or other written agreement requiring contributions to the Pension Fund. Effective March 1, 2009, the surcharge required under ERISA Section 305(e)(7)(A) shall increase to 10% of the contributions required under such agreements.

As required by the PPA, the Board intends to review the terms of this Rehabilitation Plan from time to time to determine whether the plan is consistent with the Board's objective of improving the Pension Fund's funding status over time.

SECTION 1 – RELEVANT STANDARDS UNDER THE PPA

Under the PPA, a rehabilitation plan must include one (1) or more schedules showing revised benefit structures, revised contributions, or both, which, if adopted by the plan sponsor and agreed upon by the bargaining parties, may reasonably be expected to enable a pension fund to emerge from critical status by the end of the pension fund's rehabilitation period, or where that is not reasonable, to emerge from critical status at a later time.

The PPA also provides that one of the rehabilitation plan's schedules of benefits and contributions shall be designated as being the "default" schedule. Under the PPA, the default schedule must consist of (i) the reduction of all future benefit accruals to the extent permitted by law, (ii) the elimination of all adjustable benefits and, to the extent necessary, (iii) an increase in

contribution rates, which, taken together, are projected to allow a pension fund to emerge from critical status by the end of the pension fund's rehabilitation period. Adjustable benefits that may be eliminated include post-retirement death benefits, early retirement benefit or retirement type subsidies, disability benefits or related subsidies or any other benefits that may be described in ERISA Section 305(e)(8)(A).

SECTION 2 – BOARD'S DETERMINATION TO UTILIZE ALTERNATIVE MEASURES TO EMERGE FROM CRITICAL STATUS

Under the PPA, a rehabilitation plan is a plan which is intended, through various changes in benefits and contributions and reasonably anticipated experience and reasonable actuarial assumptions, to enable a pension fund to emerge from critical status by the end of its rehabilitation period. However, under the PPA, if the plan sponsor of a pension fund "determines that, based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures," the pension fund is not reasonably expected to emerge from critical status by the close of the plan's rehabilitation period, then the plan sponsor can fashion a rehabilitation plan that includes reasonable measures that are designed to allow the pension fund to emerge from critical status at a later time or forestall possible insolvency under ERISA Section 4245. A plan sponsor may adopt this "exhaustion" approach upon its determination that "based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures," it would not be reasonable to conclude that the pension fund would emerge from critical status by the end of its rehabilitation period.

For the reasons set forth in greater detail below, the Board of Trustees of the Pension Fund has determined that, on the basis of reasonable actuarial assumptions and upon the exhaustion of all reasonable measures, and upon consideration of various alternatives, it would not be reasonable to conclude that the Pension Fund would emerge from critical status under the PPA by the end of its rehabilitation period. (The Pension Fund's rehabilitation period is the ten (10) year period beginning on March 1, 2011 and ending on February 28, 2021).

A. Alternatives Considered

The Board of Trustees considered numerous alternatives (including combinations of contribution rate increases and benefit adjustments) that, together with applicable amortization extensions, were projected to enable the Pension Fund to emerge from critical status by the end of its rehabilitation period. The Pension Fund's actuary projected that in order for the Pension Fund to emerge from critical status by the end of its rehabilitation period, the Board would need to adopt one of the following schedules (or a similar schedule):

<u>Benefit Reductions</u>	<u>Contribution Rate Increases (All Increases Compound Annually)*</u>		
Immediate elimination of all Adjustable Benefits (benefit accruals are already at lowest level permitted by law)	<u>Alternative 1</u>	<u>Alternative 2</u>	<u>Alternative 3</u>
	Yr. 1 – 6.7% increase	Yrs. 1-10 10.4% increases	Yr. 1 15% increase Yrs. 2-10 9.6% increases
	Yr. 2 – 7.7% increase		
	Yr. 3 – 8.7% increase		
	Yr. 4 – 9.7% increase		
	Yr. 5 – 10.7% increase		
	Yr. 6 – 11.7% increase		
	Yr. 7 – 12.7% increase		
	Yr. 8 – 13.7% increase		
	Yr. 9 – 14.7% increase		
	Yr. 10 – 15.7% increase		

* Depending upon the expiration dates of existing collective bargaining agreements to which the Bargaining Parties may be bound as of the date of the adoption of this Rehabilitation Plan, the number of years in which a default schedule may be applicable to Contributing Employers who become subject to that schedule will generally range from 10 to 12 years, in each case to the end of the rehabilitation period, which is February 28, 2021.

B. Rationale for Rejecting Alternatives

After careful consideration of all of the foregoing alternatives, the Board concluded that none of those alternatives is reasonably expected to enable the Pension Fund to emerge from critical status by February 28, 2021. Rather, the Board determined that adopting a rehabilitation plan which would require the Pension Fund's Contributing Employers to increase their contribution rates at the levels set forth above, compounded annually, would likely result in a significant number of

employer withdrawals from the Pension Fund, or a mass withdrawal, thereby further jeopardizing the funding status of the Pension Fund or resulting in the Pension Fund's insolvency.

SECTION 3 – ELIMINATION OF ADJUSTABLE BENEFITS

As required by law, the Pension Fund ceased paying all lump sum payments in excess of \$5,000 effective June 28, 2008, and the elimination of all such lump sum payments under the Pension Fund shall continue under this Rehabilitation Plan. Moreover, effective for benefit commencements occurring on or after March 1, 2009, the Pension Fund shall cease to provide any of the following benefits, rights and features:

- Any and all death benefits;
- Any and all withdrawal benefits;
- The 36-month benefit guarantee;
- Any and all lump sum benefits.

In addition, effective for Pension Fund participants (A) who are employed by Contributing Employers who become subject to the Default Schedule or (B) on whose behalf contributions are no longer required to be made to the Fund, such participants shall not be eligible, upon their retirement or other employment separation, for the Pension Fund's early retirement or disability benefit subsidies, to the extent permitted by applicable law.

SECTION 4 – SCHEDULES OF CONTRIBUTIONS

The Board of Trustees hereby establishes the contribution schedules that Contributing Employers may elect under this Rehabilitation Plan. Section 4(A) sets forth the Rehabilitation Plan's Preferred Schedule and Section 4(B) sets forth the Rehabilitation Plan's Default Schedule.

If a Contributing Employer and a Local Union do not have a collective bargaining agreement (or other written agreement requiring contributions to the Pension Fund) in effect as of March 1, 2009, and if the those Bargaining Parties do not accept the Preferred Schedule herein by

May 31, 2009, then the Default Schedule will be imposed on that Contributing Employer on the earlier of 180 days after March 1, 2009 or the date that the Secretary of Labor declares an impasse in bargaining. If a Contributing Employer and a Local Union do have a collective bargaining agreement (or other written agreement requiring contributions to the Pension Fund) in effect as of March 1, 2009, and if, upon expiration of that agreement the Bargaining Parties do not accept the Preferred Schedule within the earlier of 180 days after such expiration or the date the Secretary of Labor declares an impasse in bargaining, then the Default Schedule will be imposed, as required by the PPA on the Contributing Employer. The Pension Fund hereby reserves the right to impose, to the greatest extent permitted by applicable law, the Default Schedule upon any Contributing Employer whose collective bargaining agreement (or other written agreement requiring contributions to the Pension Fund) expires and who fails or refuses to accept the Preferred Schedule within 180 days of such expiration. For purposes of this Rehabilitation Plan, in the event that a Contributing Employer is required to contribute to the Pension Fund pursuant to an agreement to contribute for indefinite period of time, such Contributing Employer will be required to adopt the Rehabilitation Plan on or before May 31, 2009, or will be subject to having the Default Schedule imposed upon it within 180 days thereafter.

A. Preferred Schedule (Preserves Some Adjustable Benefits; Eliminates Others)

2009-2035: Increase contributions by 5.5% each year.

Effective immediately upon the expiration of a collective bargaining agreement (or other agreement requiring contributions to the Pension Fund), each Contributing Employer who elects to contribute to the Pension Fund under the Preferred Schedule set forth above shall be required to increase its contributions to the Pension Fund each year by an amount equal to 5.5% of (i) the contributions required under its prior collective bargaining agreement and (ii) the amount of

any surcharge required pursuant to ERISA Section 305(c)(7).² (The first annual increase shall be effective the month following the date upon which the Contributing Employer elects the Preferred Schedule. In all subsequent years, the annual increase shall be effective on the earlier of the anniversary of the collective bargaining agreement or March 1).

By way of illustration, if a Contributing Employer's total contribution obligation under its immediately preceding collective bargaining agreement and by application of the surcharges required pursuant to ERISA Section 305(c)(7) amounted to \$5,000 per month, then under this Preferred Schedule, that Contributing Employer would be required to increase its monthly contributions by an additional \$275 per month (to \$5,275), assuming all other assumptions remained constant. In the subsequent year (and again assuming all other assumptions remain constant), that Contributing Employer's contributions to the Pension Fund would increase by an additional \$290.13 per month (to \$5,565.13 per month).

Notwithstanding the provisions of Section 3, all active Pension Fund participants whose Contributing Employers have elected the Preferred Schedule will remain eligible for a disability benefit subsidy and the early retirement subsidy to the same extent that such participants were eligible for such benefits immediately before the effective date of this Rehabilitation Plan.

The Board of Trustees anticipate reviewing, from time to time, the impact that this Preferred Schedule is having on the Pension Fund's funding status, and anticipate making adjustments to this Schedule, as appropriate, over time.

B. Default Schedule (Eliminates All Adjustable Benefits)

2009-2021: Increase contributions by 10.4% each year.

² The 5.5% annually compounding contribution increases required to be made by each Contributing Employer hereunder are intended to improve the funding status of the Pension Fund and will not generate any additional benefit accruals for Pension Fund participants, to the extent permitted by applicable law.

Any Contributing Employer who becomes subject to the Default Schedule shall be required to increase its contributions to the Pension Fund each year in an amount equal to 10.4% of (i) the contributions required under its expired collective bargaining agreement and (ii) the amount of the surcharge required pursuant to ERISA Section 305(c)(7).¹ (The first annual increase shall be effective the month following the date upon which the Default Schedule becomes subject to the Contributing Employer. In all subsequent years, the annual increase shall be effective on the earlier of the anniversary of the collective bargaining agreement, if any, or March 1).

As required under the PPA, the Default Schedule under this Rehabilitation Plan consists of the elimination of all adjustable benefits permitted by applicable law, and an increase in contributions, which, taken together, are designed to allow the Pension Fund to emerge from critical status by the end of its rehabilitation period. Based upon the actuary's assumption that Contributing Employers who become subject to the Default Schedule are less likely to remain as Contributing Employers in the Pension Fund for an extended period of time, and consistent with the design of the PPA, the Board has determined that the contribution increases required from such Contributing Employers should be based upon enabling the Pension Fund to emerge from critical status within its rehabilitation period, i.e., by February 28, 2021.

By way of illustration, if a Contributing Employer's total contribution obligation under its expired collective bargaining agreement and by application of the surcharges required pursuant to ERISA Section 305(c)(7) amounted to \$5,000 per month, then under this Default Schedule, that Contributing Employer would be required to increase its monthly contributions by an additional \$520 per month (to \$5,520), assuming all other assumptions remained constant. In the

¹ The 10.4% annually compounding contribution increases required to be made by each Contributing Employer hereunder are intended to improve the funding status of the Pension Fund and will not generate any additional benefit accruals for Pension Fund participants, to the extent permitted by applicable law.

subsequent year (and again assuming all other assumptions remain constant), that Contributing Employer's contributions to the Pension Fund would increase by an additional \$574.08 per month (to \$6,094.08 per month).

SECTION 5 – ANNUAL STANDARDS AND PROJECTED EMERGENCE FROM CRITICAL STATUS

Under this Rehabilitation Plan, the Board has established the annual standards set forth below for improving the Pension Fund's funding status from 2010 through the date that it is projected to emerge from critical status in 2036.

The Board has determined, upon consultation with the Pension Fund's actuary, that the reasonable measures contemplated under this Rehabilitation Plan, which include substantial, yet more attainable, contribution increases and less onerous benefit adjustments, are less likely to result in mass employer withdrawals and are reasonably designed to allow the Pension Fund to emerge from critical status at a later time. Assuming that all of the Contributing Employers elect the Preferred Schedule set forth in Section 4(A) above, and based upon the attainment of all of the Pension Fund's other reasonable actuarial assumptions, the Board, in consultation with the Pension Fund's actuary, has concluded that the Pension Fund's funding status is projected to improve over time as follows:

March 2010 -69% funded	March 2023 -58% funded
March 2011 -67% funded	March 2024 -58% funded
March 2012 -64% funded	March 2025 -58% funded
March 2013 -63% funded	March 2026 -59% funded
March 2014 -62% funded	March 2027 -61% funded
March 2015 -61% funded	March 2028 -63% funded
March 2016 -60% funded	March 2029 -65% funded
March 2017 -59% funded	March 2030 -68% funded
March 2018 -59% funded	March 2031 -73% funded
March 2019 -58% funded	March 2032 -78% funded
March 2020 -58% funded	March 2033 -84% funded
March 2021 -58% funded	March 2034 -92% funded
March 2022 -57% funded	March 2035 -99% funded
	March 2036 – Projected to

be fully funded

Under this projection, it is anticipated that the Pension Fund's financial condition would improve incrementally over time and the Pension Fund would emerge from critical status by February 29, 2036.

SECTION 6 – ENFORCEMENT OF REHABILITATION PLAN

In addition to all of the rights and remedies that are available under applicable law, including, without limitation, Title I and Title IV of ERISA, the Board of Trustees of the Pension Fund hereby expressly reserve the right to find and determine, in their discretion, that any Contributing Employer who fails and/or refuses, after written notice, to comply with the terms and conditions of this Rehabilitation Plan, shall be deemed to have effected a complete or partial withdrawal from the Pension Fund within the meaning of ERISA Sections 4203 or 4205, as applicable. Upon such a finding and determination, the Board of Trustees hereby expressly reserve the right to pursue all of the Pension Fund's remedies against such withdrawing employer as are available under ERISA and other applicable law.

SECTION 7 – CONSTRUCTION AND MODIFICATIONS

The Board of Trustees of the Pension Fund reserves the right to construe, interpret and/or apply the terms and provisions of this Rehabilitation Plan in a manner that is consistent with its intent and design of improving the financial condition of the Pension Fund over time, and any all constructions, interpretations or applications of this Rehabilitation Plan by the Board shall be final and binding unless arbitrary or capricious. The Board further reserves the right to make any prospective or retroactive modifications to this Rehabilitation Plan that, in their discretion, may become necessary or appropriate or that may be required by applicable law.

-----x
Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits

EIN: 13-5511877/PN:001

-----x

EXHIBIT 5

- UFW Pension Fund's 2010 Partition Application.



JUN 2 - 2010

Kyle P. Flaherty
 Director (212) 541-2149
 Fax (212) 541-1335
 kpf@bryan-cave.com

May 27, 2010

TRANSMITTED VIA FEDERAL EXPRESS

Bruce Perlin, Manager
 Multiemployer Program Division
 Pension Benefit Guaranty Corporation
 1200 K Street, N.W.
 Washington, DC 20005

Re: Application by the United Furniture Workers Pension Fund A
 for Partition Pursuant to ERISA Section 4233

Dear Mr. Perlin:

Enclosed please find one original and three copies of an Application by the United Furniture Workers Pension Fund A for partition pursuant to ERISA Section 4233. If you have any questions regarding the enclosed Application, please call me at your convenience.

Very truly yours,

Redacted by the U.S.
 Department of the Treasury

Kyle P. Flaherty

KPF/aa
 Enclosures

cc: Harry Boot, Chairman
 Dee Anne Walker, Director
 Gene Kalwatski, Cheiron
 Christian Benjaminson, Cheiron

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May 27, 2010

TRANSMITTED VIA FEDERAL EXPRESS

Bruce Perlin, Manager
Multiemployer Program Division
Pension Benefit Guaranty Corporation
1200 K Street, N.W.
Washington, DC 20005

Re: Application by the United Furniture Workers Pension Fund A
for Partition Pursuant to ERISA Section 4233

Dear Mr. Perlin:

We are general counsel to the United Furniture Workers Pension Fund A (the "Pension Fund" or the "Fund"). On behalf of the Pension Fund, we hereby submit this Application for Partition of the Fund pursuant to Section 4233 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), in the manner set forth herein.

As described more fully below, an Order issued by the Corporation, effective June 1, 2010, partitioning from the Pension Fund and transferring into a partitioned plan (the "Partition Plan") all of the pension liabilities associated with the participants and retirees of each of the Bankrupt Employers (as defined herein) pursuant to ERISA Section 4233 would be appropriate since:

- Aggregate contributions to the Pension Fund have been substantially reduced beginning in October 1981 and continuing through the present as a result of bankruptcy proceedings involving thirty-four (34) contributing employers who have withdrawn from the Fund within that period of time;
- The Pension Fund is likely to become insolvent in the absence of an Order partitioning the Fund;
- Contributing employers will be required to significantly increase their contributions to the Pension Fund in order to avoid insolvency; and
- An Order partitioning of the Pension Fund will significantly reduce the likelihood that the Fund will become insolvent.

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Relevant Facts

The Pension Fund is a collectively bargained, jointly trustee multiemployer pension plan that was established in March 1962 through collective bargaining between the United Furniture Workers of America International Union (now the Communications Workers of America) and a group of furniture manufacturers. Contributing employers to the Pension Fund include Steinway, Inc., Sealy, Inc., Simmons, Inc., Huscor, Inc. and approximately 40 other contributing employers. The Pension Fund is administered in Nashville, Tennessee.

As of the plan year beginning March 1, 1980, the Pension Fund had total assets of \$34,377,209. At that time, the Pension Fund had approximately 18,324 active participants, 572 deferred vested participants and 4,566 retirees. From 1981 through the present, each of the thirty four (34) contributing employers identified in the Appendix hereto (hereinafter, the "Bankrupt Employers") filed for bankruptcy and withdrew from the Pension Fund. As of its most recent plan year ending February 28, 2010, the Pension Fund had total assets of \$83,889,232, estimated accrued liabilities of \$163,390,554, was 51.3% funded and is certified as being in "critical" status (within the meaning of the Pension Protection Act). The Pension Fund currently has 1,880 active participants, 3,303 deferred vested participants and 5,732 retirees.

As identified in the Appendix, there are 617 terminated vested participants and 1,102 retirees who had formerly been employed by the Bankrupt Employers. The pension liabilities associated with the participants and retirees of the Bankrupt Employers is approximately \$34 million. In the absence of an Order partitioning the Pension Fund in the manner described herein, the Fund is likely to become insolvent in 2019.

Applicable Standards and Requested Relief

ERISA Section 4233 authorizes the Corporation to issue an Order partitioning a multiemployer pension plan upon finding that:

1. There has been substantial reduction in the amount of aggregate contributions to a plan as a result of one or more employers' bankruptcy proceedings;
2. the plan is likely to become insolvent;
3. contributions to the plan will need to be increased significantly in order to prevent insolvency; and
4. partitioning would significantly reduce the likelihood that the plan will become insolvent.

Since the Pension Fund meets each and every one of these criteria, and since in the absence of this requested relief, it is likely that the Pension Fund will become insolvent in fewer than ten years and

Bruce Perlin, Manager
Multiemployer Program Division
Pension Benefit Guaranty Corporation
May 27, 2010
Page 3

Bryan Cave LLP

will become a liability of the Corporation, we respectfully submit that the Corporation should issue an Order, effective June 1, 2010, partitioning from the Pension Fund and transferring into a Partition Plan all of the pension liabilities associated with the Bankrupt Employers pursuant to ERISA Section 4233.

1. There Has Been a Substantial Reduction in Aggregate Contributions Resulting from Numerous Bankruptcies.

(a) Aggregate contributions to the Pension Fund have been substantially reduced beginning in October 1981 as a result of numerous bankruptcy proceedings.

Since October 1981, each of the Bankrupt Employers identified in the Appendix has filed for bankruptcy and has withdrawn from the Pension Fund.

As a direct result of these 34 Bankrupt Employers' withdrawals from the Pension Fund, the Fund has experienced a substantial reduction in its aggregate contributions relating to approximately 617 deferred vested participants and 1,102 retirees over the past 29 years. In many, if not all, cases, these Bankrupt Employers filed for bankruptcy protection with substantial contribution delinquencies to the Pension Fund, which obligations were discharged through the bankruptcy proceedings with little or no recovery for the Fund. Similarly, in many cases, Bankrupt Employers withdrew from the Pension Fund in bankruptcy with substantial withdrawal liability obligations to the Fund, most of which were discharged through the bankruptcy proceedings as well.

The most significant impact that these bankruptcies have had on the Pension Fund, however, has been the steadily declining reduction in the contribution base supporting the Fund. In order to illustrate the adverse impact that these bankruptcies have had and continue to have on the Pension Fund, the Fund's actuary conducted a study which compared the Fund's actual aggregate contributions received between March 1, 1980 and February 28, 2010 (\$141.7 million) to the aggregate contributions that the Pension Fund would have received had each of the 34 Bankrupt Employers remained as contributing employers to the Fund (\$164.3 million). This analysis found that if all of the 34 Bankrupt Employers had remained in the Pension Fund and were contributing as of March 1, 2010, the Fund would have accumulated an additional \$22.6 million in aggregate contributions during that period of time. See Attachment A appended hereto for greater detail of this analysis. The loss of \$22.6 million in projected aggregate contributions to the Pension Fund due to the bankruptcies of those 34 Bankrupt Employers - nearly 27% of the Fund's total assets - clearly satisfies the first criterion of ERISA Section 4233.

(b) The Pension Fund's Expected Insolvency Is Not Attributable to Losses in the Capital Markets.

Unlike many other multiemployer pension plans that are in financial distress, the Pension Fund's expected insolvency is not attributable to losses in the capital markets, but to substantial losses in its contribution base due to numerous employer bankruptcies. From March 1980 through February 2010, the Pension Fund's average annual rate of return on its investments has been 8.9%, which is more than the Pension Fund's assumed rate of return.¹ These investment returns temporarily supported the Pension Fund's annual benefit obligations and its costs while the Fund experienced a significant decline in employer contributions through bankruptcies. To be sure, as demonstrated by Attachment B, if the Pension Fund's actual investment return beginning in March 1980 had simply matched its investment assumption, then the Pension Fund would have become insolvent in its 1999 plan year. Therefore, it is evident that the Pension Fund's expected insolvency has not been caused by the Fund's investment performance, but by an extraordinary decline in its contribution base due to numerous employer bankruptcies.

2. The Pension Fund is Likely to Become Insolvent.

In the absence of an Order partitioning the Pension Fund in the manner described herein, it is projected that the Fund will become insolvent in 2019, as shown in Attachment C. The Pension Fund's actuary projects that the Fund has a 21% chance of becoming insolvent in 2017, a 42% chance of becoming insolvent in 2018 and a 59% chance of becoming insolvent in 2019. The probabilities developed here are from the actuary's stochastic model, which is based on 500 trials in which the investment return varies based on a return on 7.50% with an 11% standard deviation of risk. Since the Pension Fund is likely to become insolvent within the next 8 or 9 years in the absence of partitioning, the second criterion of ERISA Section 4233 is satisfied.

3. Employers Will Need to Significantly Increase Contributions to the Pension Fund.

In the absence of an Order partitioning the Pension Fund in the manner described herein, all of the contributing employers will be required to significantly increase their contributions to the Fund. The Pension Fund has been in critical status under the Pension Protection Act since 2008. In connection with that status, the Fund's Board of Trustees has duly adopted a rehabilitation plan which contemplates annual contribution increases of 5.5% for each contributing employer to the Fund over the next 26 years. In order to avoid insolvency, it is projected that the Pension Fund would instead need annual contribution increases of 23% per year effective March 1, 2011. See Attachment D appended hereto for this analysis.

¹ The Pension Fund's assumed rate of return until March 1, 2007 was 7.00%, effective March 1, 2007, the assumed rate of return was 7.50%.

Bruce Perlin, Manager
Multiemployer Program Division
Pension Benefit Guaranty Corporation
May 27, 2010
Page 5

Increasing contributions by this magnitude on an annual basis for all contributing employers would, quite obviously, be unsustainable, and would likely lead to a mass withdrawal of contributing employers from the Pension Fund. As it is evident that in the absence of an Order partitioning the Pension Fund contributing employers will be required to significantly increase their contributions to the Fund, the third criterion of ERISA Section 4233 is satisfied.

4. **An Order Partitioning the Pension Fund Would Significantly Reduce the Likelihood that the Fund Would Become Insolvent.**

An Order partitioning the Pension Fund in the manner set forth herein would significantly reduce the likelihood that the Pension Fund would become insolvent. Attachment E hereto is an actuarial projection demonstrating that an Order partitioning the Pension Fund will significantly reduce the likelihood that the Pension Fund will become insolvent. Based upon this projection, whereas there is a 59% chance that the Pension Fund will become insolvent in 2019 without partitioning, the Fund's actuary projects only a 9% chance of insolvency in 2019 with partitioning effective June 1, 2010. Moreover, in the event that the Corporation issues an Order partitioning the Pension Fund in the manner described herein, there is a 37% chance that the Fund will avoid insolvency through 2024. The probabilities developed here are from the actuary's stochastic model which is based upon 500 trials in which the investment return varies based upon a return of 7.50% and an 11% standard deviation of risk. Accordingly, since an Order partitioning the Pension Fund in the manner set forth herein would significantly reduce the likelihood of insolvency, the fourth criterion of ERISA Section 4233 is satisfied.

5. **Other Significant Factors Warranting an Order for Partitioning the Pension Fund.**

(a) **Demographics of the Pension Fund Warrant an Order Partitioning the Fund**

The Pension Fund is a mature multiemployer pension plan with a rapidly declining active participant base, almost 4 to 1 benefit payment to contribution ratio and limited prospects for attracting new participants into the Fund. The average age of the active participants is 45.0. Since 2005, the number of the Pension Fund's active participants has decreased from 3,646 to 1,880, and the Pension Fund has paid out \$61.3 million in benefits while collecting only \$19.3 million in regular employer contributions. These factors demonstrate very clearly that the Pension Fund is experiencing a rapid and inevitable decline and has little or no chance of avoiding insolvency in the absence of an Order partitioning the Fund.

(b) **Impact of the PBGC Guarantee**

If the Corporation issues an Order partitioning the Pension Fund in the manner described herein, the Order will affect 617 terminated vested participants and 1,102 retirees. The Fund's actuary has performed an estimate of the impact of the PBGC guarantee on a sample set of affected participants. Based upon that analysis, for terminated vested participants whose service was readily available, the

Bruce Perlin, Manager
Multiemployer Program Division
Pension Benefit Guaranty Corporation
May 27, 2010
Page 6

Bryan Cave LLP

estimated average reduction in their monthly pension benefit due to the impact of the PBGC guarantee was approximately 30%. With respect to the impact of partitioning on current retirees, the actuary estimated that the average reduction in a retiree's monthly pension benefit would range between 0% and 15%. The plan administrator is collecting service data on all affected participants in order to calculate the actual reduction that would be applicable for each affected participant and retiree and will share that information with the Corporation once it becomes available.

Conclusion

For all of the foregoing reasons, we respectfully submit that the Corporation should issue an Order, effective June 1, 2010, partitioning from the Pension Fund and transferring to a Partition Plan all of the pension liabilities associated with the terminated vested participants and retirees of each of the Bankrupt Employers pursuant to ERISA Section 4233.

We recognize that the Corporation may need additional information from the Pension Fund in order to consider this Application, and the Pension Fund hereby reserves its right to amend, modify, supplement or withdraw this Application at any time. Please contact me directly with any information requests that you may have and we will coordinate the Pension Fund's response, and please call me directly with any questions or concerns that you may have. Thank you for your consideration of this Application.

Very truly yours,

Redacted by the U.S.
Department of the Treasury

Kyle P. Flaherty

KPF/aa
Attachments

cc: Terrence Deneen, PBGC
Harry Boot, Chairman
Board of Trustees
Dee Anne Walker, Director
Gene Kalwarski, Cheiron
Christian Benjaminson, Cheiron
Harry White, Joseph Warren and Sons
James F. Gill, Bryan Cave LLP

APPENDIX

<u>Company</u>	<u>Bankruptcy Filing Date</u>	<u>Bankruptcy Court and Civil Case Number</u>	<u>No. of Deferred Vested Participants/Retirees</u>
Yorktowne Living Rooms, Inc. d/b/a T.R. Taylor Company	October 1981	U.S. Bankruptcy Court For the Middle District of Pennsylvania; Case No. 1-81-01047	5/17
Arbor Industries, Inc. d/b/a Jamestown Lounge, Inc.	October 1983	U.S. Bankruptcy Court Western District of New York; Case No. 82-10623 M	1/14
Maddox Table Co.	June 1985	U.S. Bankruptcy Court Western District of New York; Case No. 83-10456 M	7/19
Atlantic Sleep Products	July 1985	U.S. Bankruptcy Court Southern District of New York; Case No. 85 B 11549 TLB	0/7
Monitor Furniture	September 1985	U.S. Bankruptcy Court Western District of New York; Case No. 84-10540M	3/11
St. John's Inc.	September 1985	U.S. Bankruptcy Court Western District of Michigan; Case No. NT 85-02687	3/16
Hotchkiss Brothers	April 1988	No Bankruptcy Case Information in File - See Attached letter.	2/9
Advance Computer Supply	September 1988	U.S. Bankruptcy Court For the District of New Jersey; Case No. 88-05212	4/7
Eisenberg Mattress Co.	June 1989	U.S. Bankruptcy Court Eastern District of New York; Case No. 88-81646-352	0/2
Sterling Sleep Products, Inc. f/k/a Greater N.Y. Sleep Products	January 1990	U. S. Bankruptcy Court Eastern District of New York; Case No. 190-14549 353	0/3
Purofied Down	January 1990	U.S. Bankruptcy Court Southern District of New York; Case No. 90-B-12605(TLB)	14/39
Harvey Industries and L&N Industries	July 1990	U.S. Bankruptcy Court Eastern District of Texas; Case No. 92 60225 DRS	51/97

<u>Company</u>	<u>Bankruptcy Filing Date</u>	<u>Bankruptcy Court and Civil Case Number</u>	<u>No. of Deferred Vested Participants/ Retirees</u>
Kanowsky Mfg.	September 1990	U.S. Bankruptcy Court Eastern District of California; Case No. 2-90-04594-A-7	20/16
Somers Corp./Waldron Furn.	December 1990	U.S. Bankruptcy Court Northern District of Ohio Western Division; Case No. 2-89-02294	15/101
Muskin, Inc. (consolidated with Little Lake Industries, Inc., U.S. Leisure, Inc. and U.S. Leisure International, Inc.)	November 1991	U.S. Bankruptcy Court Northern District of California; Case No. 1-90-01331-AG thru 1-90-01334-AJ	55/111
Sunarhauserman, Inc.	November 1991	U.S. Bankruptcy Court Northern District of Ohio Eastern Division; Case Nos: B 89 4100(S) and B 89-4101(S)	30/105
Hale Company	March 1992	In the US District Court of Middle District of Tennessee Nashville Division, Civil Action, Case No. 392 0366 (HIGGINS) and 392-0966	14/39
Mikel Co.	March 1992	U.S. Bankruptcy Court Southern District of New York New York City; Case No 90-B 11859(CB)	1/11
Comfort Industries, Inc.	December 1992	U.S. Bankruptcy Court Eastern District of New York; Case No. 190-14548 353	0/2
American Monarch, Inc.	March 1994	U.S. Bankruptcy Court Northern District of Ohio-Cleveland; Case No. 93-15507(S)	6/20
Beaver Furniture, Inc.	June 1994	U.S. Bankruptcy Court for the Southern District of New York; Case No. 90-B-10579 (CB)	4/5
Advance Bedding f/k/a Automatic Bedding	September 1994	U.S. Bankruptcy Court for the Eastern District of New York; Case No. 97-13935-60	6/27
Kittinger Co.	April 1995	U.S. Bankruptcy Court Western District New York; Case No. 95 12266K	39/88

<u>Company</u>	<u>Bankruptcy Filing Date</u>	<u>Bankruptcy Court and Civil Case Number</u>	<u>No. of Deferred Vested Participants/ Retirees</u>
Invincible Parlor Frame	January 1996	U.S. Bankruptcy Court District of New Jersey; Case No. 95-21993	2/7
Designers Woodcraft	November 1996	U. S. Bankruptcy Court Eastern District of New York; Case No. 1-96-15517-dte	2/10
Duralab Equipment	March 1997	U.S. Bankruptcy Court Eastern District of New York; Case No. 896-86839-288	27/62
Antique Furniture	September 1997	U.S. Bankruptcy Court Southern District of New York; Case No. 97B 4553(AJG)	0/3
Jencraft Corp.	April 1999	U.S. Bankruptcy Court For the Southern District of Texas Mcallen Division, Case No. 99-21 306-M-7	5/6
Room Plus, Inc.	March 2000	U.S. Bankruptcy Court District of New Jersey (Newark); Case No. 99-34651	28/21
American Mattress Company	July 2003 (Assignment for the Benefit of Creditors)	Superior Court of New Jersey, Chancery Division- Probate Part Essex County (filed July 17, 2003)	11/16
American Modern Metals	April 2004	U.S. Bankruptcy Court District of New Jersey; Case No. 03-46555 DHS	20/22
Tower Automotive	June 2006	U.S. Bankruptcy Court for the Southern District of New York; Case No. 05-10578 (ALG)	183/163
Spring Air Mattress	May 2009	U.S. Bankruptcy Court for the District of Delaware; Case No. 09-11875 (BLS)	53/25
Dallek, Inc.	September 2009	U.S. Bankruptcy Court for the Southern District of New York; Case No. 09-15648 (JMP)	6/1

Attachment A

Contributions Lost Due to Bankruptcies

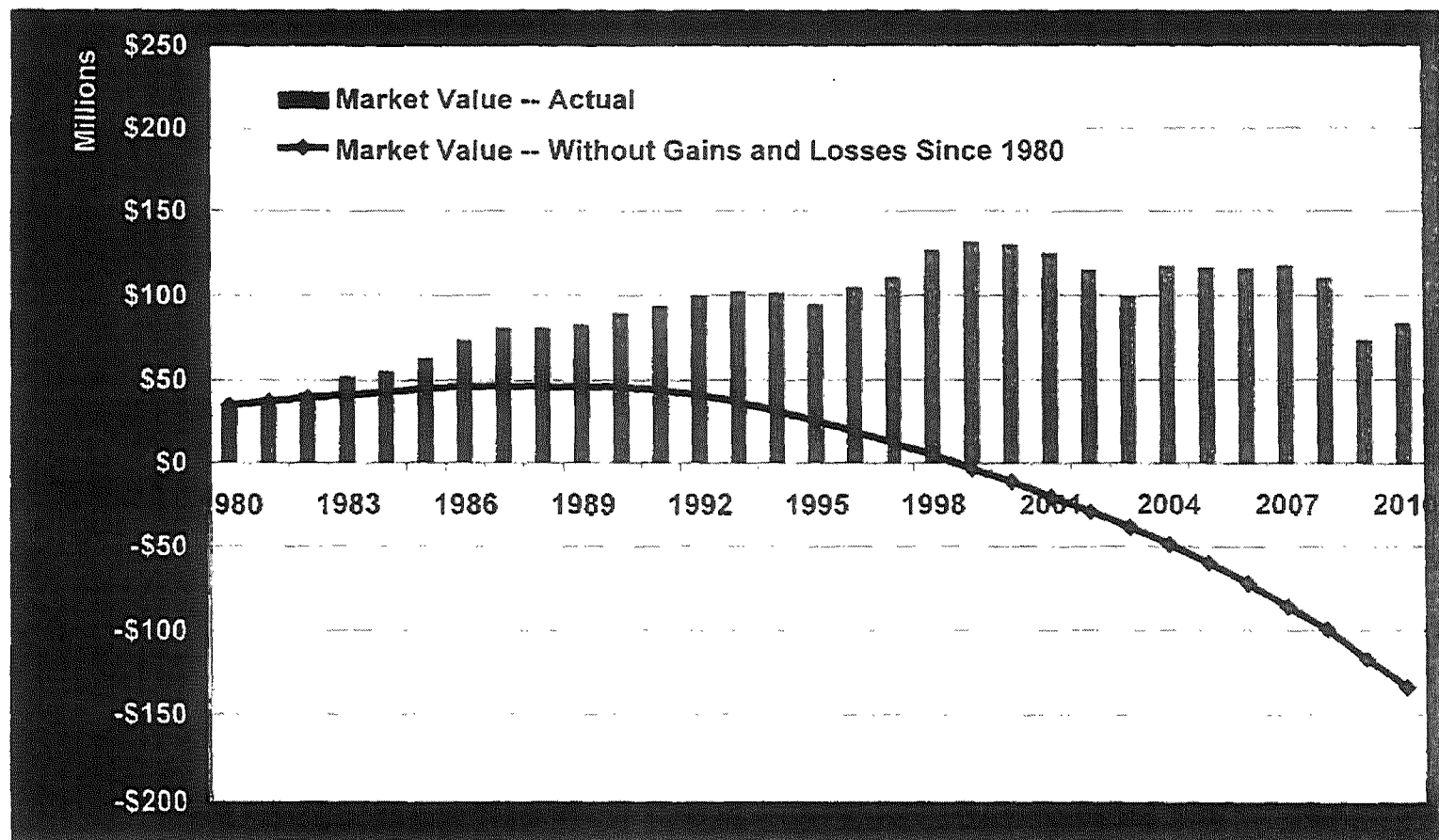
		(A)	(B)	(C) = (A) x (B)
# <u>Employer</u>	<u>Bankruptcy Date</u>	<u>Average Annual Contributions in last 5 Years in the Fund</u>	<u>Years out of the Fund through 3/1/2010</u>	<u>Lost Contributions</u>
1 T.R. Taylor	Oct-1981	\$ 7,411	28.4	\$ 210,560
2 Jamestown Lounge	Oct-1983	21,098	26.4	557,300
3 Maddox Table Co., Inc.	Jun-1985	34,065	24.7	843,034
4 Atlantic Sleep Products	Jul-1985	21,241	24.7	523,908
5 Monitor Furniture	Sep-1985	23,854	24.5	584,318
6 St. John's Inc.	Sep-1985	29,101	24.5	712,835
7 Hotchkiss Brothers	Apr-1988	26,039	21.9	570,620
8 Advanced Computer Supply	Sep-1988	19,406	21.5	417,135
9 Eisenberg Mattress Co.	Jun-1989	4,546	20.7	94,319
10 Greater N.Y. Sleep Prod.	Jan-1990	4,905	20.2	98,883
11 Purofied Down	Jan-1990	36,473	20.2	735,356
12 Harvey Industries	Jul-1990	64,909	19.7	1,276,493
13 Kanowsky Mfg.	Sep-1990	15,151	19.5	295,396
14 Somers Corp./Waldron Furn.	Dec-1990	33,511	19.2	644,981
15 Muskin Corp.	Nov-1991	183,799	18.3	3,369,011
16 Sunarhauserman	Nov-1991	229,149	18.3	4,200,278
17 Hale Company	Mar-1992	22,462	18.0	404,290
18 Mikel Co.	Mar-1992	6,884	18.0	123,910
19 Comfort Industries	Dec-1992	569	17.2	9,811
20 American Monarch	Mar-1994	10,564	16.0	169,026
21 Beaver Furniture	Jun-1994	19,782	15.7	311,537
22 Automatic Bedding	Sep-1994	42,123	15.5	652,741
23 Kittinger Co.	Apr-1995	55,860	14.9	833,192
24 Invincible Parlor Frame	Jan-1996	14,100	14.2	199,702
25 Designers Woodcraft, Inc.	Nov-1996	7,214	13.3	96,148
26 Duralab Equipment Corp.	Mar-1997	104,443	13.0	1,357,691
27 Antique Furniture	Sep-1997	16,384	12.5	204,723
28 Jencraft Corp.	Apr-1999	6,226	10.9	67,959
29 Room Plus, Inc.	Mar-2000	15,412	10.0	154,098
30 American Mattress	Jul-2003	9,576	6.7	63,841
31 American Modern Metals	Apr-2004	10,303	5.9	60,931
32 Tower Automotive	Jun-2006	730,839	3.7	2,739,270
33 Consolidated Bedding, Inc	May-2009	62,391	0.8	51,928
34 Dallek, Inc.	Sep-2009	3,674	0.5	1,821
TOTAL \$				22,637,045

Attachment B

Recreating Market Value of Assets Without Gains and Losses

Starting Market Value on 3/1/1980: \$34.4 million

Projection is based on the actual contributions, benefits, and expenses, and assumed earnings being achieved each year through 2/28/2010.



Attachment C – Baseline Projection



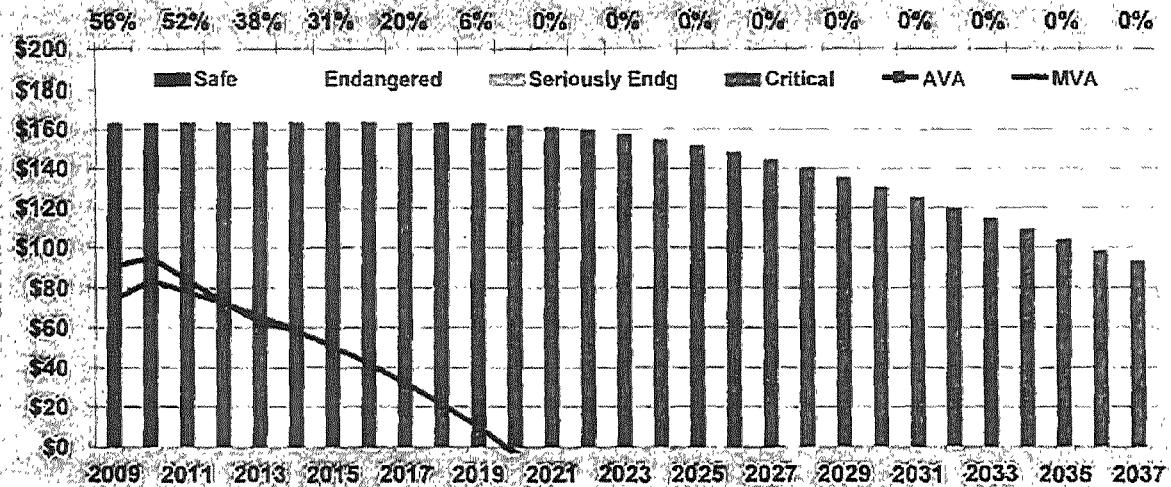
Discount Rate	7.50%
Partition on	n/a

PYB	Return	Changes	
		Contrib.	Benefits
2009	30.38%		
2010	7.50%	5.5%	0.0%
2011	7.50%	5.5%	0.0%
2012	7.50%	5.5%	0.0%
2013	7.50%	5.5%	0.0%
2014	7.50%	5.5%	0.0%
2015	7.50%	5.5%	0.0%
2016	7.50%	5.5%	0.0%
2017	7.50%	5.5%	0.0%
2018	7.50%	5.5%	0.0%
2019	7.50%	5.5%	0.0%
2020	7.50%	5.5%	0.0%
2021	7.50%	5.5%	0.0%
2022	7.50%	5.5%	0.0%
2023	7.50%	5.5%	0.0%
2024	7.50%	5.5%	0.0%
2025	7.50%	5.5%	0.0%
2026	7.50%	5.5%	0.0%
2027	7.50%	5.5%	0.0%
2028	7.50%	5.5%	0.0%

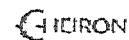
Industry Assumptions

growth	WDL S
10.00%	0%

UFW Pension Fund A PPA Projections



PYB	MVA	AVA	PPA Liab	Unfunded	FR%	Contrib	Payouts	Min Fund	EOY Cr Bal
2009	\$73.9	\$91.1	\$163.4	\$72.3	55.7%	\$3.3	\$14.0	\$9.7	(\$3.4)
2010	\$83.9	\$95.2	\$163.4	\$68.2	58.3%	\$2.8	\$14.0	\$7.7	(\$8.4)
2011	\$78.4	\$84.3	\$163.4	\$79.1	51.6%	\$2.7	\$14.0	\$8.3	(\$14.6)
2012	\$72.5	\$73.0	\$163.6	\$90.6	44.6%	\$2.5	\$14.0	\$9.0	(\$22.0)
2013	\$65.9	\$62.7	\$163.7	\$101.0	38.3%	\$2.4	\$14.0	\$9.4	(\$30.6)
2014	\$58.6	\$58.6	\$163.8	\$105.2	35.8%	\$2.3	\$14.1	\$12.3	(\$42.8)
2015	\$50.6	\$50.6	\$163.9	\$113.2	30.9%	\$2.2	\$14.2	\$17.4	(\$61.1)
2016	\$41.9	\$41.9	\$163.9	\$122.0	25.6%	\$2.1	\$14.2	\$16.0	(\$79.6)
2017	\$32.3	\$32.3	\$163.8	\$131.5	19.7%	\$2.0	\$14.4	\$14.4	(\$98.0)
2018	\$21.7	\$21.7	\$163.5	\$141.8	13.3%	\$1.9	\$14.5	\$11.6	(\$115.0)
2019	\$10.1	\$10.1	\$163.0	\$152.9	6.2%	\$1.8	\$14.8	\$10.2	(\$132.0)
2022	(\$32.6)	(\$32.6)	\$159.5	\$192.2	-20.5%	\$1.5	\$15.7	\$9.3	(\$189.7)
2028	(\$163.5)	(\$163.5)	\$140.4	\$303.8	-116.5%	\$1.1	\$16.9	\$3.3	(\$317.6)



Attachment D -- Contributions needed to avoid insolvency beginning 3/1/2011

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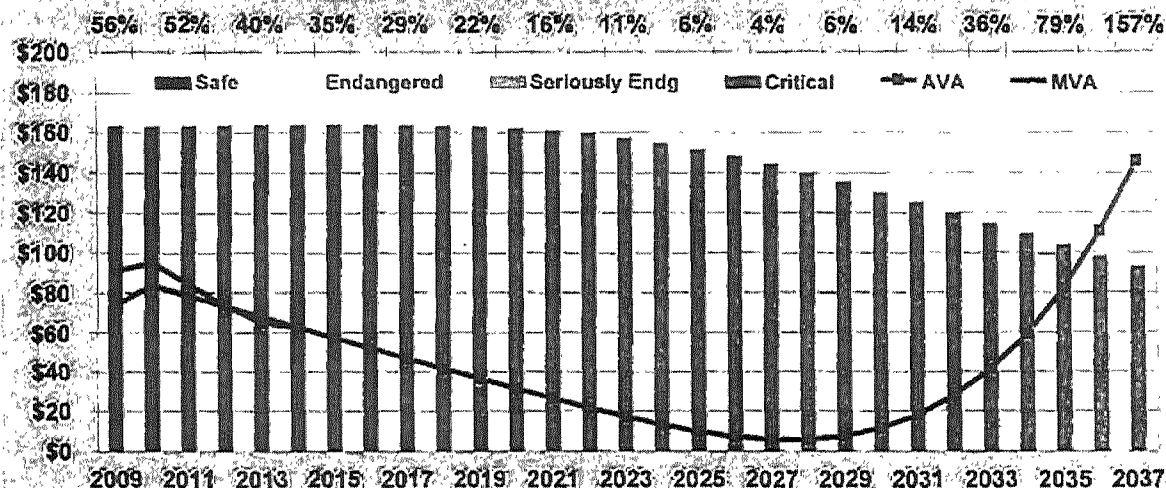
Discount Rate 7.50%
Partition on n/a

PYB	Return	Changes	
		Contrib.	Benefits
2009	30.38%		
2010	7.50%	5.5%	0.0%
2011	7.50%	23.0%	0.0%
2012	7.50%	23.0%	0.0%
2013	7.50%	23.0%	0.0%
2014	7.50%	23.0%	0.0%
2015	7.50%	23.0%	0.0%
2016	7.50%	23.0%	0.0%
2017	7.50%	23.0%	0.0%
2018	7.50%	23.0%	0.0%
2019	7.50%	23.0%	0.0%
2020	7.50%	23.0%	0.0%
2021	7.50%	23.0%	0.0%
2022	7.50%	23.0%	0.0%
2023	7.50%	23.0%	0.0%
2024	7.50%	23.0%	0.0%
2025	7.50%	23.0%	0.0%
2026	7.50%	23.0%	0.0%
2027	7.50%	23.0%	0.0%
2028	7.50%	23.0%	0.0%

Industry Assumptions

growth 10.00%
WDL \$ 0%

UFW Pension Fund A PPA Projections



PYB	MVA	AVA	PPA Liab	Unfunded	FR%	Contrib	Payouts	Min Fund	EOY Cr Bal
2009	\$73.9	\$91.1	\$163.4	\$72.3	55.7%	\$3.3	\$14.0	\$9.7	(\$3.4)
2010	\$83.9	\$95.2	\$163.4	\$68.2	58.3%	\$2.8	\$14.0	\$7.7	(\$8.4)
2011	\$78.7	\$84.6	\$163.4	\$78.8	51.8%	\$3.1	\$14.0	\$8.3	(\$14.1)
2012	\$73.4	\$74.0	\$163.6	\$89.6	45.2%	\$3.4	\$14.0	\$9.0	(\$20.6)
2013	\$68.1	\$65.0	\$163.7	\$98.7	39.7%	\$3.8	\$14.0	\$9.4	(\$27.6)
2014	\$62.8	\$62.8	\$163.8	\$101.0	38.3%	\$4.2	\$14.1	\$12.3	(\$37.6)
2015	\$57.4	\$57.4	\$163.9	\$106.4	35.1%	\$4.7	\$14.2	\$17.4	(\$52.9)
2016	\$52.1	\$52.1	\$163.9	\$111.8	31.8%	\$5.2	\$14.2	\$16.0	(\$67.5)
2017	\$46.8	\$46.8	\$163.8	\$117.0	28.6%	\$5.7	\$14.4	\$14.4	(\$81.1)
2018	\$41.6	\$41.6	\$163.5	\$121.9	25.4%	\$6.3	\$14.5	\$11.6	(\$92.2)
2019	\$36.5	\$36.5	\$163.0	\$126.6	22.4%	\$7.0	\$14.8	\$10.2	(\$102.1)
2022	\$21.7	\$21.7	\$159.5	\$137.8	13.6%	\$9.5	\$15.7	\$9.3	(\$129.2)
2028	\$6.0	\$6.0	\$140.4	\$134.4	4.2%	\$17.5	\$16.9	\$3.3	(\$132.4)

HEIRON

Attachment E -- Projection with June 1, 2010 Partition Date

HEIRON

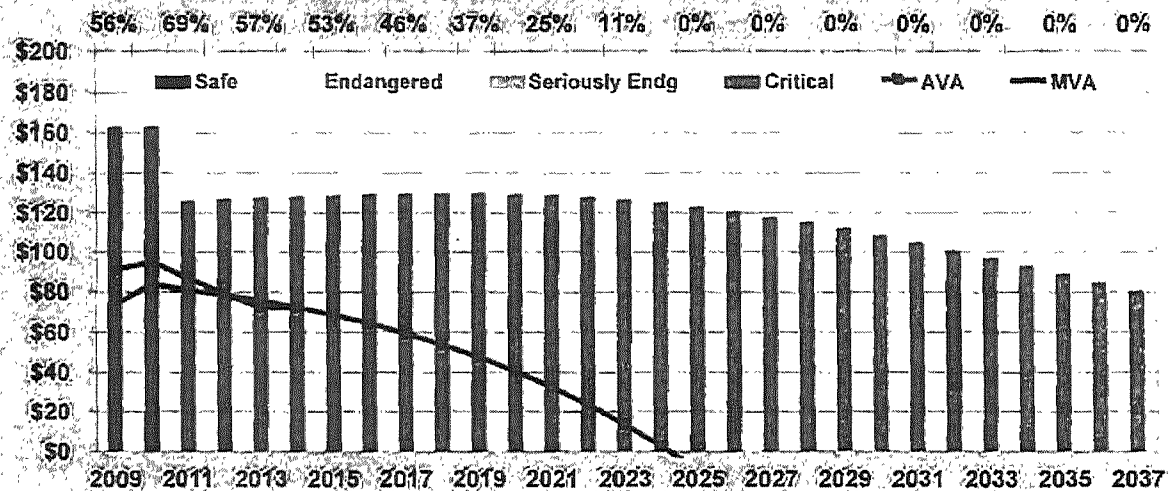
Discount Rate 7.50%
Partition on 6/1/2010

PYB	Return	Changes	
		Contrib.	Benefits
2009	30.38%		
2010	7.50%	5.5%	0.0%
2011	7.50%	5.5%	0.0%
2012	7.50%	5.5%	0.0%
2013	7.50%	5.5%	0.0%
2014	7.50%	5.5%	0.0%
2015	7.50%	5.5%	0.0%
2016	7.50%	5.5%	0.0%
2017	7.50%	5.5%	0.0%
2018	7.50%	5.5%	0.0%
2019	7.50%	5.5%	0.0%
2020	7.50%	5.5%	0.0%
2021	7.50%	5.5%	0.0%
2022	7.50%	5.5%	0.0%
2023	7.50%	5.5%	0.0%
2024	7.50%	5.5%	0.0%
2025	7.50%	5.5%	0.0%
2026	7.50%	5.5%	0.0%
2027	7.50%	5.5%	0.0%
2028	7.50%	5.5%	0.0%

Industry Assumptions

growth	WDL
10.00%	0%

UFW Pension Fund A PPA Projections



PYB	MVA	AVA	PPA Liah	Unfunded	FR%	Contrib	Payouts	Min Fund	EOY Cr Bal
2009	\$73.9	\$91.1	\$163.4	\$72.3	55.7%	\$3.3	\$14.0	\$9.7	(\$3.4)
2010	\$83.9	\$95.2	\$163.4	\$68.2	58.3%	\$2.8	\$11.5	\$7.7	(\$8.4)
2011	\$81.0	\$87.0	\$126.4	\$39.4	68.8%	\$2.7	\$10.7	\$4.1	(\$10.4)
2012	\$78.7	\$79.2	\$127.1	\$48.0	62.3%	\$2.5	\$10.8	\$4.8	(\$13.3)
2013	\$75.8	\$72.7	\$127.9	\$55.2	56.8%	\$2.4	\$10.9	\$5.2	(\$17.1)
2014	\$72.6	\$72.6	\$128.5	\$55.9	56.5%	\$2.3	\$11.1	\$8.1	(\$24.0)
2015	\$68.8	\$68.8	\$129.1	\$60.3	53.3%	\$2.2	\$11.2	\$13.2	(\$36.8)
2016	\$64.5	\$64.5	\$129.5	\$65.0	49.8%	\$2.1	\$11.3	\$11.8	(\$49.2)
2017	\$59.6	\$59.6	\$129.9	\$70.3	45.9%	\$2.0	\$11.5	\$10.3	(\$61.1)
2018	\$54.0	\$54.0	\$130.0	\$76.0	41.6%	\$1.9	\$11.7	\$7.4	(\$71.1)
2019	\$47.7	\$47.7	\$129.9	\$82.2	36.7%	\$1.8	\$12.0	\$6.0	(\$80.7)
2022	\$23.7	\$23.7	\$128.0	\$104.3	18.5%	\$1.5	\$12.7	\$5.1	(\$112.4)
2028	(\$53.0)	(\$53.0)	\$115.3	\$168.2	-45.9%	\$1.1	\$13.8	\$3.3	(\$181.5)

HEIRON

-----x
Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits

EIN: 13-5511877/PN:001
-----x

EXHIBIT 6

- Board Resolution dated September 12, 2013 from the Trustees of the UFW Pension Fund Authorizing Plan Counsel to Explore a Negotiated Mass Withdrawal.

UNITED FURNITURE WORKERS
PENSION FUND A

September 12, 2013

WHEREAS, the Board of Trustees has determined that a negotiated mass withdrawal may, depending upon its terms, be in the best interests of the Pension Fund's participants and beneficiaries, and

WHEREAS, the Board of Trustees has determined to authorize Pension Fund counsel to explore with the Pension Fund's two largest contributing employers and the affected local unions, their interest in a negotiated a mass withdrawal from the Pension Fund,

NOW, THEREFORE, IT IS RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, is hereby authorized to explore with representatives of the Sealy Controlled Group ("Sealy") and Steinway, Inc. ("Steinway"), and each of the affected local unions (collectively, the "Bargaining Parties"), their interest in a negotiated a mass withdrawal from the Pension Fund; and

IT IS RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, may negotiate terms and conditions with the Bargaining Parties that, if accepted by the Board of Trustees, and if accepted by other contributing employers and affected local unions, would likely forestall the Pension Fund's projected insolvency by at least five (5) years, based upon the Pension Fund's current actuarial assumptions; and

IT IS FURTHER RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, may take all actions and execute all documents that counsel reasonably determines are necessary or appropriate in exploring a negotiated mass withdrawal, provided that, in no event shall Bryan Cave LLP, nor any of its members, be authorized to bind the Pension Fund to any agreement or arrangement with any of the Bargaining Parties or to exercise any discretionary authority with respect to the Pension Fund's assets.

Dated: September 12, 2013

Redacted by the U.S.
Department of the Treasury

Harry Boot, Chairman

Anthony Sestito, Trustee

Ulises Vergara, Trustee

Edmond Dugas, Trustee

UNITED FURNITURE WORKERS
PENSION FUND A

September 12, 2013

WHEREAS, the Board of Trustees has determined that a negotiated mass withdrawal may, depending upon its terms, be in the best interests of the Pension Fund's participants and beneficiaries, and

WHEREAS, the Board of Trustees has determined to authorize Pension Fund counsel to explore with the Pension Fund's two largest contributing employers and the affected local unions, their interest in a negotiated a mass withdrawal from the Pension Fund,

NOW, THEREFORE, IT IS RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, is hereby authorized to explore with representatives of the Sealy Controlled Group ("Sealy") and Steinway, Inc. ("Steinway"), and each of the affected local unions (collectively, the "Bargaining Parties"), their interest in a negotiated a mass withdrawal from the Pension Fund; and

IT IS RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, may negotiate terms and conditions with the Bargaining Parties that, if accepted by the Board of Trustees, and if accepted by other contributing employers and affected local unions, would likely forestall the Pension Fund's projected insolvency by at least five (5) years, based upon the Pension Fund's current actuarial assumptions; and

IT IS FURTHER RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, may take all actions and execute all documents that counsel reasonably determines are necessary or appropriate in exploring a negotiated mass withdrawal, provided that, in no event shall Bryan Cave LLP, nor any of its members, be authorized to bind the Pension Fund to any agreement or arrangement with any of the Bargaining Parties or to exercise any discretionary authority with respect to the Pension Fund's assets.

Dated: September 12, 2013

Harry Boot, Chairman

Redacted by the U.S. Department of the
Treasury

Anthony Sestito, Trustee

Ulises Vergara, Trustee

Edmond Dugas, Trustee

UNITED FURNITURE WORKERS
PENSION FUND A

September 12, 2013

WHEREAS, the Board of Trustees has determined that a negotiated mass withdrawal may, depending upon its terms, be in the best interests of the Pension Fund's participants and beneficiaries, and

WHEREAS, the Board of Trustees has determined to authorize Pension Fund counsel to explore with the Pension Fund's two largest contributing employers and the affected local unions, their interest in a negotiated a mass withdrawal from the Pension Fund,

NOW, THEREFORE, IT IS RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, is hereby authorized to explore with representatives of the Sealy Controlled Group ("Sealy") and Steinway, Inc. ("Steinway"), and each of the affected local unions (collectively, the "Bargaining Parties"), their interest in a negotiated a mass withdrawal from the Pension Fund; and

IT IS RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, may negotiate terms and conditions with the Bargaining Parties that, if accepted by the Board of Trustees, and if accepted by other contributing employers and affected local unions, would likely forestall the Pension Fund's projected insolvency by at least five (5) years, based upon the Pension Fund's current actuarial assumptions; and

IT IS FURTHER RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, may take all actions and execute all documents that counsel reasonably determines are necessary or appropriate in exploring a negotiated mass withdrawal, provided that, in no event shall Bryan Cave LLP, nor any of its members, be authorized to bind the Pension Fund to any agreement or arrangement with any of the Bargaining Parties or to exercise any discretionary authority with respect to the Pension Fund's assets.

Dated: September 12, 2013

Harry Boot, Chairman

Anthony Sestito, Trustee

Redacted by the U.S. Department
of the Treasury

Ulises Vengara, Trustee

Edmond Dugas, Trustee

UNITED FURNITURE WORKERS
PENSION FUND A

September 12, 2013

WHEREAS, the Board of Trustees has determined that a negotiated mass withdrawal may, depending upon its terms, be in the best interests of the Pension Fund's participants and beneficiaries, and

WHEREAS, the Board of Trustees has determined to authorize Pension Fund counsel to explore with the Pension Fund's two largest contributing employers and the affected local unions, their interest in a negotiated a mass withdrawal from the Pension Fund,

NOW, THEREFORE, IT IS RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, is hereby authorized to explore with representatives of the Sealy Controlled Group ("Sealy") and Steinway, Inc. ("Steinway"), and each of the affected local unions (collectively, the "Bargaining Parties"), their interest in a negotiated a mass withdrawal from the Pension Fund; and

IT IS RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, may negotiate terms and conditions with the Bargaining Parties that, if accepted by the Board of Trustees, and if accepted by other contributing employers and affected local unions, would likely forestall the Pension Fund's projected insolvency by at least five (5) years, based upon the Pension Fund's current actuarial assumptions; and

IT IS FURTHER RESOLVED that Bryan Cave LLP, serving as counsel to the Pension Fund, may take all actions and execute all documents that counsel reasonably determines are necessary or appropriate in exploring a negotiated mass withdrawal, provided that, in no event shall Bryan Cave LLP, nor any of its members, be authorized to bind the Pension Fund to any agreement or arrangement with any of the Bargaining Parties or to exercise any discretionary authority with respect to the Pension Fund's assets.

Dated: September 12, 2013

Harry Boot, Chairman

Anthony Sestito, Trustee

Redacted by the U.S. Department
of the Treasury

Ulises Vergara, Trustee

Edmond Dugas, Trustee

Redacted by the U.S. Department of
the Treasury

Elmo DeSilva, Trustee

Dana Carstensen, Trustee

Jose Villareal, Trustee

115194941/220708912903

Redacted by the U.S. Department of the Treasury

Elmo DeSilva, Trustee

Dana Carstensen, Trustee

Jose Villareal, Trustee

Elmo DeSilva, Trustee

Dana Carstensen, Trustee

Redacted by the U.S. Department of the
Treasury

José Villareal, Trustee

-----x
Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits

EIN: 13-5511877/PN:001

-----x

EXHIBIT 7

- UFW Pension Fund's Alternative Withdrawal Liability Rules.

**UNITED FURNITURE WORKERS PENSION
FUND A ("PENSION FUND")**

ALTERNATIVE WITHDRAWAL LIABILITY RULES

In accordance with 29 U.S.C. Section 1399(c)(7) and 29 U.S.C. Section 1404, the Board of Trustees (the "Board") of the Pension Fund hereby adopts the following rules concerning alternative withdrawal liability arrangements ("Alternative Withdrawal Liability Rules").

1. The Pension Fund may, with Board approval, enter into agreements with contributing employers to the Pension Fund (each a "Contributing Employer") pursuant to which the Contributing Employer (i) agrees to effect a complete withdrawal from the Pension Fund (as defined in 29 U.S.C. Section 1383(a)) and (ii) seeks to obtain a full and final release from the Pension Fund on any and all liabilities under Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including liabilities arising from a mass withdrawal contemplated by 29 U.S.C. Section 1399(c)(1)(D), provided that each of the requirements of Sections 2(a) through (d) are either satisfied or waived by the Board, and further provided that these Alternative Withdrawal Liability Rules are not determined by the Pension Benefit Guaranty Corporation ("PBGC") to be inconsistent with the requirements of ERISA or PBGC regulations promulgated thereunder.

2. Each Contributing Employer's total withdrawal liability obligations to the Pension Fund shall be resolved as follows:

a. An allocable share of the Pension Fund's unfunded vested benefits ("UVBs") as of the last day of the immediately preceding plan year shall be allocated to the Contributing Employer.

b. The Pension Fund shall calculate the Contributing Employer's complete withdrawal liability to the Pension Fund as if the Fund had experienced a mass withdrawal within the meaning of 29 U.S.C. Section 1399(c)(1)(D)(i) and (ii) as of the last day of the immediately preceding plan year (a "Mass Withdrawal"), and shall assess the Contributing Employer's complete withdrawal liability in annual withdrawal liability payments that would be owed to the Pension Fund as if the Fund had experienced a Mass Withdrawal (the "Mass Withdrawal Liability").

c. The Pension Fund shall require the Contributing Employer to pay, on an upfront or lump sum basis, the present value of its Mass Withdrawal Liability, discounted in an amount that the Board, in its discretion, determines to be appropriate and in the best interests of the Pension Fund.

d. The Board shall have complete discretion to establish the terms and conditions under which the Pension Fund shall accept a Contributing Employer's Mass Withdrawal Liability payments.

3. It shall be the intention of the Pension Fund and the Board to apply these Alternative Withdrawal Liability Rules in a uniform, non-discriminatory manner; provided, however, that the Board may approve discounts or other terms and conditions for employers based upon relevant considerations, including the creditworthiness of an employer, the likelihood that an employer may avail itself of bankruptcy or analogous

state law insolvency laws, the risk and cost of litigation or any other consideration that the Board determines appropriate for individualized or specialized relief.

4. The Board reserves the right to add, delete or amend the Alternative Withdrawal Liability rules, in its discretion, in a manner that best serves the interests of the Pension Fund's participants and beneficiaries. The Board further reserves the right to construe, interpret and/or apply the terms and provisions of the Alternative Withdrawal Liability Rules in a manner that is consistent with its interest and design of forestalling the Pension Fund's insolvency to the greatest extent possible under the circumstances.

UNITED FURNITURE WORKERS PENSION FUND A

WHEREAS, the United Furniture Workers Pension Fund A (the "Pension Fund") has experienced a severe funding deficiency, has been contracting for years and is projected to be insolvent by April 2021; and

WHEREAS, the Board of Trustees (the "Board") of the Pension Fund has consulted with the Fund's counsel, actuaries and other professionals to review the Board's options for forestalling insolvency; and

WHEREAS, the Board has considered various options proposed by Pension Fund's counsel and actuaries that are designed to forestall insolvency of the Fund; and

WHEREAS, the Board has determined that a negotiated mass withdrawal may, depending upon its terms, be in the best interests of the Pension Fund's participants and beneficiaries; and

WHEREAS, under 29 U.S.C. Section 1399(c)(7) and 29 U.S.C. Section 1404, the Board is authorized to adopt for the Pension Fund rules providing for alternative terms and conditions for the satisfaction of an employer's withdrawal liability (the "Alternative Withdrawal Liability Rules") provided that such rules are consistent with Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and regulations prescribed by the Pension Benefit Guaranty Corporation ("PBGC"); and

WHEREAS, the Board has determined that the Alternative Withdrawal Liability Rules as set forth on the attachment hereto are in the overall best interests of the Pension Fund's participants and beneficiaries, and provide the Pension Fund with the best opportunity to forestall insolvency for a significant period of time; and

WHEREAS, it is the intent of the Board that the Alternative Withdrawal Liability Rules shall be deemed to be null and void if said rules are determined by the PBGC to be inconsistent with Title IV of ERISA or regulations promulgated by the PBGC;

NOW THEREFORE, IT IS RESOLVED that the Alternative Withdrawal Liability Rules, a copy of which is attached hereto, are hereby adopted by the Board.

Dated: November 14, 2013

Redacted by the U.S. Department of the Treasury

Redacted by the U.S. Department of the Treasury

Harry Boot, Chairman

Anthony Sestito

Redacted by the U.S. Department of the Treasury

Elmo DeSilva

Edmond Dugas

Ulises Vergara

Dana Carstensen

UNITED FURNITURE WORKERS PENSION FUND A

WHEREAS, the United Furniture Workers Pension Fund A (the "Pension Fund") has experienced a severe funding deficiency, has been contracting for years and is projected to be insolvent by April 2021; and

WHEREAS, the Board of Trustees (the "Board") of the Pension Fund has consulted with the Fund's counsel, actuaries and other professionals to review the Board's options for forestalling insolvency; and

WHEREAS, the Board has considered various options proposed by Pension Fund's counsel and actuaries that are designed to forestall insolvency of the Fund; and

WHEREAS, the Board has determined that a negotiated mass withdrawal may, depending upon its terms, be in the best interests of the Pension Fund's participants and beneficiaries; and

WHEREAS, under 29 U.S.C. Section 1399(c)(7) and 29 U.S.C. Section 1404, the Board is authorized to adopt for the Pension Fund rules providing for alternative terms and conditions for the satisfaction of an employer's withdrawal liability (the "Alternative Withdrawal Liability Rules") provided that such rules are consistent with Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and regulations prescribed by the Pension Benefit Guaranty Corporation ("PBGC"); and

WHEREAS, the Board has determined that the Alternative Withdrawal Liability Rules as set forth on the attachment hereto are in the overall best interests of the Pension Fund's participants and beneficiaries, and provide the Pension Fund with the best opportunity to forestall insolvency for a significant period of time; and

WHEREAS, it is the intent of the Board that the Alternative Withdrawal Liability Rules shall be deemed to be null and void if said rules are determined by the PBGC to be inconsistent with Title IV of ERISA or regulations promulgated by the PBGC;

NOW THEREFORE, IT IS RESOLVED that the Alternative Withdrawal Liability Rules, a copy of which is attached hereto, are hereby adopted by the Board.

Dated: November 14, 2013

Harry Boot, Chairman

Anthony Sestito

Redacted by the U.S. Department of the Treasury

Elmo DeSilva

Edmond Dugas

Ulises Vergara

Dana Carstensen

UNITED FURNITURE WORKERS PENSION FUND A

WHEREAS, the United Furniture Workers Pension Fund A (the "Pension Fund") has experienced a severe funding deficiency, has been contracting for years and is projected to be insolvent by April 2021; and

WHEREAS, the Board of Trustees (the "Board") of the Pension Fund has consulted with the Fund's counsel, actuaries and other professionals to review the Board's options for forestalling insolvency; and

WHEREAS, the Board has considered various options proposed by Pension Fund's counsel and actuaries that are designed to forestall insolvency of the Fund; and

WHEREAS, the Board has determined that a negotiated mass withdrawal may, depending upon its terms, be in the best interests of the Pension Fund's participants and beneficiaries; and

WHEREAS, under 29 U.S.C. Section 1399(c)(7) and 29 U.S.C. Section 1404, the Board is authorized to adopt for the Pension Fund rules providing for alternative terms and conditions for the satisfaction of an employer's withdrawal liability (the "Alternative Withdrawal Liability Rules") provided that such rules are consistent with Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and regulations prescribed by the Pension Benefit Guaranty Corporation ("PBGC"); and

WHEREAS, the Board has determined that the Alternative Withdrawal Liability Rules as set forth on the attachment hereto are in the overall best interests of the Pension Fund's participants and beneficiaries, and provide the Pension Fund with the best opportunity to forestall insolvency for a significant period of time; and

WHEREAS, it is the intent of the Board that the Alternative Withdrawal Liability Rules shall be deemed to be null and void if said rules are determined by the PBGC to be inconsistent with Title IV of ERISA or regulations promulgated by the PBGC;

NOW THEREFORE, IT IS RESOLVED that the Alternative Withdrawal Liability Rules, a copy of which is attached hereto, are hereby adopted by the Board.

Dated: November 21, 2013

Harry Boot, Chairman

Anthony Sestito

Elmo DeSilva

Edmond Dugas

Redacted by the U.S.
Department of the Treasury

Ulises Vergara

Dana Carstensen

UNITED FURNITURE WORKERS PENSION FUND A

WHEREAS, the United Furniture Workers Pension Fund A (the "Pension Fund") has experienced a severe funding deficiency, has been contracting for years and is projected to be insolvent by April 2021; and

WHEREAS, the Board of Trustees (the "Board") of the Pension Fund has consulted with the Fund's counsel, actuaries and other professionals to review the Board's options for forestalling insolvency; and

WHEREAS, the Board has considered various options proposed by Pension Fund's counsel and actuaries that are designed to forestall insolvency of the Fund; and

WHEREAS, the Board has determined that a negotiated mass withdrawal may, depending upon its terms, be in the best interests of the Pension Fund's participants and beneficiaries; and

WHEREAS, under 29 U.S.C. Section 1399(c)(7) and 29 U.S.C. Section 1404, the Board is authorized to adopt for the Pension Fund rules providing for alternative terms and conditions for the satisfaction of an employer's withdrawal liability (the "Alternative Withdrawal Liability Rules") provided that such rules are consistent with Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and regulations prescribed by the Pension Benefit Guaranty Corporation ("PBGC"); and

WHEREAS, the Board has determined that the Alternative Withdrawal Liability Rules as set forth on the attachment hereto are in the overall best interests of the Pension Fund's participants and beneficiaries, and provide the Pension Fund with the best opportunity to forestall insolvency for a significant period of time; and

WHEREAS, it is the intent of the Board that the Alternative Withdrawal Liability Rules shall be deemed to be null and void if said rules are determined by the PBGC to be inconsistent with Title IV of ERISA or regulations promulgated by the PBGC;

NOW THEREFORE, IT IS RESOLVED that the Alternative Withdrawal Liability Rules, a copy of which is attached hereto, are hereby adopted by the Board.

Dated: November 14, 2013

Harry Boot, Chairman

Anthony Sestito

Elmo DeSilva

Edmond Dugas

Redacted by the U.S. Department of the Treasury

Ulises Vergara

Dana Carstensen

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Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits
-----x

EXHIBIT 8

EIN: 13-5511877/PN:001
-----x

- UFW Pension Fund counsel's November 20, 2013 letter to PBGC Manager Bruce Perlin regarding the Pension Fund's Alternative Withdrawal Liability Rules.



Kyle Flaherty
Direct: 212-541-2134
Fax: 212-541-1358
kpfaherty@bryancave.com

November 20, 2013

Via U.S. Mail

Mr. Bruce Perlin
Manager, Multi Employer Division
Pension Benefit Guaranty Corporation
1200 K Street, N.W.
Washington, DC 20005

Re: United Furniture Workers Pension Fund A's
Alternative Withdrawal Liability Rules
Adopted Pursuant to ERISA §4224

Dear Mr. Perlin:

We are general counsel to the United Furniture Workers Pension Fund A (the "Pension Fund"). We are writing to request an opinion from the Corporation with respect to whether the Pension Fund's Alternative Withdrawal Liability Rules, adopted in accordance with §4224 of ERISA, are inconsistent with Title IV of ERISA or the Corporation's regulations promulgated thereunder.

The Pension Fund is a "critical" status multiemployer pension plan which has experienced severe funding deficiencies within the last several years. The Pension Fund's funded status for the plan year beginning March 1, 2013 has declined to 41%, and the Pension Fund is now projected to be insolvent by April 2021. In an attempt to respond to this projected insolvency, the Board of Trustees (the "Board") of the Pension Fund is in the process of exploring whether the Fund's contributing employers may be interested in negotiating a mass withdrawal from the Pension Fund. Based upon an analysis performed by the Pension Fund's professionals, the Board has determined that negotiating a mass withdrawal that provides for up front, lump sum payments of withdrawal liability to the Pension Fund provides the greatest opportunity for the Pension Fund to forestall insolvency for a meaningful period of time. In connection with that effort, the Board recently adopted, pursuant to ERISA §4224, rules concerning alternative withdrawal liability arrangements ("Alternative Withdrawal Liability Rules"). A copy of the Pension Fund's Alternative Withdrawal Liability Rules is attached.

The Alternative Withdrawal Liability Rules are designed to permit the Pension Fund, subject to Board approval, to enter into agreements with contributing employers who

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Mr. Bruce Perlin
November 20, 2013
Page 2

Bryan Cave LLP

may be interested in withdrawing from the Pension Fund and satisfying all of their current and future withdrawal liabilities to the Pension Fund in one or more lump sum payments. To that end, the Alternative Withdrawal Liability Rules would permit each contributing employer to satisfy, through negotiated, discounted lump sum payments to the Pension Fund, its withdrawal liability obligations to the Pension Fund *as if* the Pension Fund had experienced a mass withdrawal under Title IV of ERISA in the year of that contributing employer's withdrawal.

The Pension Fund's Alternative Withdrawal Liability Rules are intended to be consistent with Title IV of ERISA and the regulations promulgated by the Corporation thereunder. By this letter, the Pension Fund's Board is requesting an opinion from the Corporation with respect to whether the Alternative Withdrawal Liability Rules would be inconsistent with ERISA Title IV or with the Corporation's regulations.

I would welcome an opportunity to meet with you or your staff in person, or to speak with you or your staff by teleconference, if additional information is required to respond to this request.

Thank you for your cooperation.

Very truly yours,
Redacted by the U.S.
Department of the Treasury

Kyle Flaherty

KPF:aa

Attach.

cc: Board of Trustees
Dee Anne Walker, Director
Gene Kalwarski, Cheiron
Christian Benjaminson, Cheiron

**UNITED FURNITURE WORKERS PENSION
FUND A ("PENSION FUND")**

ALTERNATIVE WITHDRAWAL LIABILITY RULES

In accordance with 29 U.S.C. Section 1399(c)(7) and 29 U.S.C. Section 1404, the Board of Trustees (the "Board") of the Pension Fund hereby adopts the following rules concerning alternative withdrawal liability arrangements ("Alternative Withdrawal Liability Rules").

1. The Pension Fund may, with Board approval, enter into agreements with contributing employers to the Pension Fund (each a "Contributing Employer") pursuant to which the Contributing Employer (i) agrees to effect a complete withdrawal from the Pension Fund (as defined in 29 U.S.C. Section 1383(a)) and (ii) seeks to obtain a full and final release from the Pension Fund on any and all liabilities under Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including liabilities arising from a mass withdrawal contemplated by 29 U.S.C. Section 1399(c)(1)(D), provided that each of the requirements of Sections 2(a) through (d) are either satisfied or waived by the Board, and further provided that these Alternative Withdrawal Liability Rules are not determined by the Pension Benefit Guaranty Corporation ("PBGC") to be inconsistent with the requirements of ERISA or PBGC regulations promulgated thereunder.

2. Each Contributing Employer's total withdrawal liability obligations to the Pension Fund shall be resolved as follows:

a. An allocable share of the Pension Fund's unfunded vested benefits ("UVBs") as of the last day of the immediately preceding plan year shall be allocated to the Contributing Employer.

b. The Pension Fund shall calculate the Contributing Employer's complete withdrawal liability to the Pension Fund as if the Fund had experienced a mass withdrawal within the meaning of 29 U.S.C. Section 1399(c)(1)(D)(i) and (ii) as of the last day of the immediately preceding plan year (a "Mass Withdrawal"), and shall assess the Contributing Employer's complete withdrawal liability in annual withdrawal liability payments that would be owed to the Pension Fund as if the Fund had experienced a Mass Withdrawal (the "Mass Withdrawal Liability").

c. The Pension Fund shall require the Contributing Employer to pay, on an upfront or lump sum basis, the present value of its Mass Withdrawal Liability, discounted in an amount that the Board, in its discretion, determines to be appropriate and in the best interests of the Pension Fund.

d. The Board shall have complete discretion to establish the terms and conditions under which the Pension Fund shall accept a Contributing Employer's Mass Withdrawal Liability payments.

3. It shall be the intention of the Pension Fund and the Board to apply these Alternative Withdrawal Liability Rules in a uniform, non-discriminatory manner; provided, however, that the Board may approve discounts or other terms and conditions for employers based upon relevant considerations, including the creditworthiness of an employer, the likelihood that an employer may avail itself of bankruptcy or analogous

state law insolvency laws, the risk and cost of litigation or any other consideration that the Board determines appropriate for individualized or specialized relief.

4. The Board reserves the right to add, delete or amend the Alternative Withdrawal Liability rules, in its discretion, in a manner that best serves the interests of the Pension Fund's participants and beneficiaries. The Board further reserves the right to construe, interpret and/or apply the terms and provisions of the Alternative Withdrawal Liability Rules in a manner that is consistent with its interest and design of forestalling the Pension Fund's insolvency to the greatest extent possible under the circumstances.

**UNITED FURNITURE WORKERS
PENSION FUND A**

By: Harry Boot, Chairman

Date: _____

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Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits
-----x

EIN: 13-5511877/PN:001
-----x

EXHIBIT 9

- Actuarial Demonstration that Limitations on Individual Suspensions are Satisfied.

United Furniture Workers Pension Fund A

EIN: 13-5511877 / PN: 001

Revenue Procedure 2016-27, Section 4.01

Demonstration that Limitations on Individual Suspensions are Satisfied

	Example #1: Retiree Under Age 75	Example #2: Retiree Over Age 75	Example #3: Disabled Participant
1 Effective Date of Suspension	5/1/2017	5/1/2017	5/1/2017
2 Birth Date	3/31/1949	4/20/1939	2/16/1950
3 Months Until Age 80 ¹	142	23	153
4 Applicable Percentage ([3] ÷ 60, not greater than 100%)	100.00%	38.33%	100.00%
5 Accrued Monthly Benefit	\$1,259.36	\$1,292.76	\$228.34
6 Credited Service	40.250	35.667	
7 Accrual Rate ([5] ÷ [6])	\$31.2884	\$36.2453	
8 PBGC Guaranteed Accrual Rate ²	\$26.2163	\$29.9340	
9 PBGC Guaranteed Benefit [(6) x (8)]	\$1,055.21	\$1,067.66	NOT
10 110% PBGC Guaranteed Benefit (110% x [9], but not more than [5])	\$1,160.73	\$1,174.43	APPLICABLE
11 Monthly Benefit Reduction ([5] – [10])	\$98.63	\$118.33	FOR DISABLED PARTICIPANTS
12 Age-based Limitation ([4] x [11])	\$98.63	\$45.36	
13 Benefit After Suspension ([5] - [12])	\$1,160.73	\$1,247.40	\$228.34

¹ Number of months during the period beginning with the month after the month in which the suspension of benefits is effective and ending with the month during which the participant attains age 80, per Regulation §1.432(e)(9)-1(d)(3).

² 100% of first \$11 plus 75% of the next \$33

These examples were prepared solely for the United Furniture Workers Pension Fund A for the purpose described. Other users of this information are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

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Application of the United Furniture
Workers Pension Fund A for Approval
Of Suspension of Benefits

EIN: 13-5511877/PN:001
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EXHIBIT 10

- Actuarial Demonstration that the Proposed Suspension is Reasonably Estimated to Enable the Pension Fund to Avoid Insolvency.

United Furniture Workers Pension Fund A
EIN: 13-5511877 / PN: 001
Revenue Procedure 2016-27, Section 4.02
Partition & Suspension is Reasonably Estimated to
Enable the Plan to Avoid Insolvency

As required by Section 4.02 of Revenue Procedure 2016-27 in accordance with Section 432(e)(9)(D)(iv) of the Internal Revenue Code, we conclude the proposed partition & suspension is reasonably estimated to enable the Plan to avoid insolvency. This determination is supported by the data in Appendix I and the analysis and projections are based on the assumptions and methods in Appendix II.

To the best of our knowledge, this analysis is complete and has been prepared in accordance with the requirements of Revenue Procedure 2016-27 and consistent with Code Section 432(e)(9)(D)(iv) and generally recognized and accepted actuarial principles and practices that are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained herein. This analysis does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Also, this analysis was prepared solely for the United Furniture Workers Pension Fund A for the purpose described herein. Other users of this analysis are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

Finally, in preparing this analysis, we have relied on information supplied by the Fund Office and the Board of Trustees. This information includes, but is not limited to, plan provisions, employee data, financial information, and expectations of future industry activity. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice #23. Future analysis may differ significantly from those presented in this analysis due to such factors as the following: plan experience differing from that anticipated by the assumptions; changes in assumptions; and changes in plan provisions or applicable law.

Redacted by the U.S.
Department of the
Treasury

Gene Kalwarski, FSA, EA (14-02845)

Redacted by the U.S. Department of
the Treasury

Christian Benjaminson, FSA, EA (14-07015)

Attachments: Appendix I: Projection Details
Appendix II: Methodology and Assumptions

APPENDIX I – PROJECTION DETAILS

SOLVENCY PROJECTION

Based on the assumptions in Appendix II we provide the following projection showing the Plan is reasonably estimated to avoid insolvency assuming the proposed partition & suspension are granted. The projections assume that effective May 1, 2017 the Fund implemented the maximum suspension permitted (in accordance with ERISA Section 305(e)(9)(D)(i) and consistent with Section 305(e)(9)(D)(iv) and the regulations thereunder) and partitioned to the Successor Plan 100% of the liability associated with the terminated vested participants and 49% of the liability associated with the retirees and beneficiaries. All liability associated with the active participants would remain in the Original Plan.

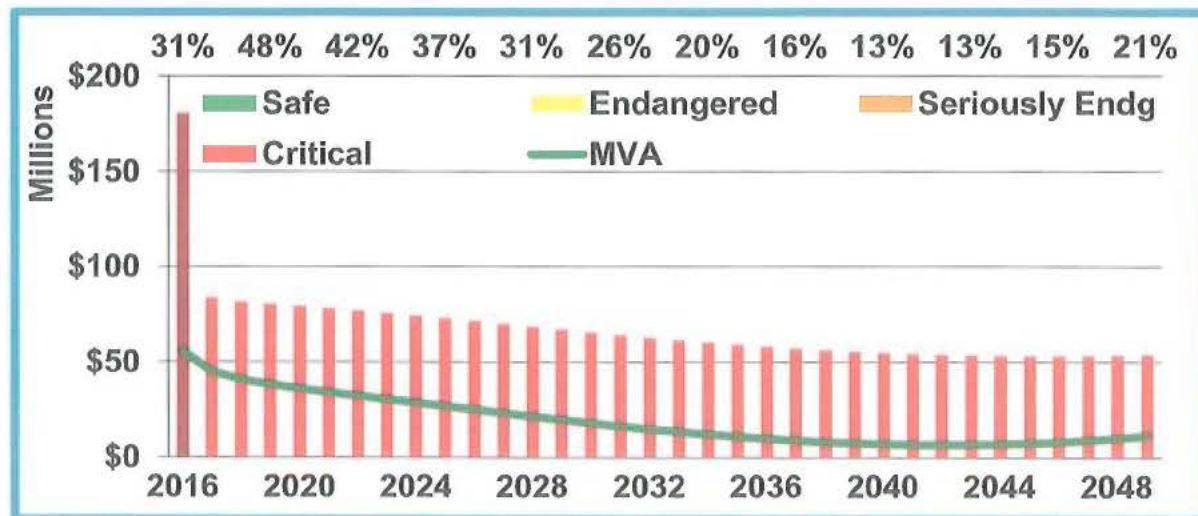
Please note, the assumptions used in this analysis are the same as provided in the response to Section 3.01 of Revenue Procedure 2016-27 with the exception of the membership decline. Section 3.01 of Revenue Procedure 2016-27 is based on the Trustees' Industry Activity assumption used in the most recent PPA Certification assuming membership will decline 10% per year. However, after the effective date of the suspension / partition we assume stable membership. Furthermore, the underlying demographic assumptions for the deterministic projections are the same as the demographic assumptions underlying the stochastic projections.

Furthermore, the analysis provided begins with the estimated assets as of July 1, 2016 based on a four month return of 5.17%. However, because we assume in this stress-testing scenario the Fund would earn 2.00% as an annual return, the last eight months would need to return negative 3%.

See below for the projection in both graphical and tabular format.

GRAPHICAL:

The graph below compares the Plan's assets and liabilities. The bars represent the Plan's liabilities and the colors shown represent the expected PPA zone (e.g. red is critical). The lines represent Plan's Market Value of Assets with the funded ratios (assets divided liabilities) shown along the top of the graph.



APPENDIX I – PROJECTION DETAILS

TABULAR: PLAN'S SOLVENCY RATIO

		(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
Period Beginning	Assumed Annual Return	Beginning MVA	Contributions	Withdrawal Liability Payments	Investment Earnings	Administrative Expenses	Available Resources	Benefit Payments	Solvency Ratio
7/1/2016	2.00%	\$54,542,427	\$2,530,075	\$271,630	-\$2,025,191	-\$941,081	\$54,377,860	\$9,461,488	5.75
3/1/2017	3.00%	44,853,711	3,654,366	201,274	1,390,765	-822,981	49,277,135	8,442,362	5.84
3/1/2018	4.00%	40,709,074	3,709,181	200,742	1,691,842	-704,553	45,606,286	7,264,232	6.28
3/1/2019	5.00%	38,198,194	3,764,819	65,506	1,987,097	-704,717	43,310,900	7,226,951	5.99
3/1/2020	6.00%	35,905,479	3,821,291	64,158	2,248,331	-705,713	41,333,546	7,186,149	5.75
3/1/2021	6.75%	33,934,953	3,878,611	64,158	2,398,015	-707,556	39,568,181	7,137,419	5.54
3/1/2022	6.75%	32,193,807	3,936,790	60,813	2,282,220	-710,218	37,763,412	7,120,764	5.30
3/1/2023	6.75%	30,406,246	3,995,842	57,456	2,163,292	-713,726	35,909,110	7,065,088	5.08
3/1/2024	6.75%	28,609,469	4,055,779	57,456	2,043,853	-718,131	34,048,426	7,012,076	4.86
3/1/2025	6.75%	26,803,556	4,116,616	57,456	1,923,800	-723,354	32,178,074	6,943,453	4.63
3/1/2026	6.75%	25,004,107	4,178,365	43,216	1,803,703	-729,724	30,299,667	6,894,799	4.39
3/1/2027	6.75%	23,175,969	4,241,041	26,976	1,681,600	-737,104	28,388,482	6,791,172	4.18
3/1/2028	6.75%	21,371,851	4,304,656	26,976	1,564,116	-671,393	26,596,206	6,714,983	3.96
3/1/2029	6.75%	19,658,293	4,369,226	22,546	1,450,042	-683,598	24,816,509	6,599,941	3.76
3/1/2030	6.75%	17,997,457	4,434,765	16,645	1,339,469	-697,060	23,091,275	6,491,825	3.56
3/1/2031	6.75%	16,383,928	4,501,286	12,232	1,232,144	-711,305	21,418,285	6,339,317	3.38
3/1/2032	6.75%	14,868,510	4,568,805	6,143	1,131,384	-726,651	19,848,191	6,203,653	3.20
3/1/2033	6.75%	13,438,584	4,637,337	6,143	1,036,593	-743,098	18,375,560	6,044,421	3.04
3/1/2034	6.75%	12,130,471	4,706,897	6,143	950,021	-760,672	17,032,860	5,879,676	2.90
3/1/2035	6.75%	10,957,985	4,777,501	6,143	872,604	-779,291	15,834,942	5,742,880	2.76
3/1/2036	6.75%	9,901,404	4,849,163	0	802,807	-798,961	14,754,414	5,607,610	2.63
3/1/2037	6.75%	8,960,637	4,921,901	0	741,035	-819,601	13,803,972	5,442,125	2.54
3/1/2038	6.75%	8,181,174	4,995,729	0	690,162	-840,983	13,026,083	5,295,077	2.46
3/1/2039	6.75%	7,555,215	5,070,665	0	649,664	-863,094	12,412,451	5,136,643	2.42
3/1/2040	6.75%	7,105,277	5,146,725	0	621,065	-885,790	11,987,277	4,992,858	2.40
3/1/2041	6.75%	6,828,661	5,223,926	0	604,183	-909,085	11,747,686	4,867,012	2.41
3/1/2042	6.75%	6,719,094	5,302,285	0	598,594	-933,022	11,686,952	4,737,436	2.47
3/1/2043	6.75%	6,792,238	5,381,819	0	605,369	-957,195	11,822,231	4,605,208	2.57
3/1/2044	6.75%	7,064,135	5,462,547	0	625,591	-981,614	12,170,659	4,498,415	2.71
3/1/2045	6.75%	7,522,902	5,544,485	0	658,469	-1,006,002	12,719,854	4,383,918	2.90
3/1/2046	6.75%	8,190,395	5,627,652	0	705,482	-1,030,192	13,493,337	4,271,234	3.16
3/1/2047	6.75%	9,080,303	5,712,067	0	767,563	-1,053,998	14,505,935	4,152,875	3.49

APPENDIX I – PROJECTION DETAILS

TABULAR: PLAN'S FUNDED PERCENTAGE

For this chart, both the Market Value of Assets and the Actuarial Liability are shown as of July 1, 2016. The Investment Consultant provided the estimated Market Value of Assets; the amount was adjusted to account for cash and receivables. The Actuarial Liability was based on the March 1, 2016 actuarial valuation, projected forward for four months.

Period Beginning	Assumed Annual Return	(i)	(ii)	(ii)
		Beginning MVA	Actuarial Liability	Funded Percentage
7/1/2016	2.00%	\$54,542,427	\$179,840,439	30.3%
3/1/2017	3.00%	44,853,711	83,420,018	53.8%
3/1/2018	4.00%	40,709,074	81,291,168	50.1%
3/1/2019	5.00%	38,198,194	80,211,712	47.6%
3/1/2020	6.00%	35,905,479	79,083,830	45.4%
3/1/2021	6.75%	33,934,953	77,907,145	43.6%
3/1/2022	6.75%	32,193,807	76,690,514	42.0%
3/1/2023	6.75%	30,406,246	75,396,138	40.3%
3/1/2024	6.75%	28,609,469	74,063,210	38.6%
3/1/2025	6.75%	26,803,556	72,686,643	36.9%
3/1/2026	6.75%	25,004,107	71,284,307	35.1%
3/1/2027	6.75%	23,175,969	69,833,781	33.2%
3/1/2028	6.75%	21,371,851	68,393,075	31.2%
3/1/2029	6.75%	19,658,293	66,934,535	29.4%
3/1/2030	6.75%	17,997,457	65,497,447	27.5%
3/1/2031	6.75%	16,383,928	64,077,906	25.6%
3/1/2032	6.75%	14,868,510	62,724,818	23.7%
3/1/2033	6.75%	13,438,584	61,427,062	21.9%
3/1/2034	6.75%	12,130,471	60,213,055	20.1%
3/1/2035	6.75%	10,957,985	59,094,860	18.5%
3/1/2036	6.75%	9,901,404	58,049,658	17.1%
3/1/2037	6.75%	8,960,637	57,080,087	15.7%
3/1/2038	6.75%	8,181,174	56,222,643	14.6%
3/1/2039	6.75%	7,555,215	55,464,537	13.6%
3/1/2040	6.75%	7,105,277	54,823,385	13.0%
3/1/2041	6.75%	6,828,661	54,291,446	12.6%
3/1/2042	6.75%	6,719,094	53,857,710	12.5%
3/1/2043	6.75%	6,792,238	53,532,535	12.7%
3/1/2044	6.75%	7,064,135	53,325,599	13.2%
3/1/2045	6.75%	7,522,902	53,218,070	14.1%
3/1/2046	6.75%	8,190,395	53,224,712	15.4%
3/1/2047	6.75%	9,080,303	53,351,095	17.0%

APPENDIX I – PROJECTION DETAILS

TABULAR: STOCHASTIC PROJECTION (500 Trials, 6.56% Return, 9.18% Risk)

Period Beginning	Probability Solvent
7/1/2016	100.0%
3/1/2017	100.0%
3/1/2018	100.0%
3/1/2019	100.0%
3/1/2020	100.0%
3/1/2021	100.0%
3/1/2022	100.0%
3/1/2023	100.0%
3/1/2024	100.0%
3/1/2025	100.0%
3/1/2026	99.6%
3/1/2027	98.2%
3/1/2028	94.2%
3/1/2029	92.4%
3/1/2030	89.4%
3/1/2031	86.6%
3/1/2032	84.2%
3/1/2033	81.2%
3/1/2034	78.6%
3/1/2035	76.6%
3/1/2036	74.2%
3/1/2037	72.8%
3/1/2038	72.0%
3/1/2039	70.4%
3/1/2040	70.0%
3/1/2041	72.6%
3/1/2042	76.8%
3/1/2043	78.8%
3/1/2044	80.8%
3/1/2045	82.6%
3/1/2046	84.0%

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

A. Actuarial Assumptions

1. Investment Return (net of investment expenses)

Valuation Assumption: 6.75% per year
Stress Testing Scenario: 2.00% for the plan year ending Feb 2017, increasing by 1% per year for the next four years, followed by 6.75% thereafter

The Investment Consultant provided the estimated Market Value of Assets in the portfolio as of July 1, 2016; the amount was adjusted to account for cash and receivables. They estimated a return of 5.17% over the first four months of the fiscal year. For the scenario where the Fund earns 6.75% in all years we assumed the Fund would earn 4.45% (based on the 6.75% assumption) for the final eight months for an annual return of 9.85%. However, because we assumed in the stress testing scenario the Fund would earn 2.00% as an annual return, the last eight months would need to return negative 3%.

2. Risk/Return for Stochastic Projections

The following was provided by the Plan's investment consultant, Gallagher Fiduciary Advisors:

- Expected Return: 6.56% (Passive return based on mean variance: 5.96% + Active management: 0.60%)
- Expected Risk: 9.18%
- Mean Variance Assumptions

	Return	Volatility	Weight
US Equity - All Cap	7.30%	16.70%	30%
Global Equities	7.50%	17.30%	20%
Investment Grade Bonds	2.30%	5.00%	30%
Marketable Alternatives	6.00%	8.50%	10%
Private Real Estate	6.00%	11.00%	10%

- Correlation Matrix (from Gallagher's "Asset Allocation Analysis" report)

Key / Asset Class	A	B	C	D	E
A. U.S. Equities	1.00				
B. Global Equities	0.96	1.00			
C. US Investment Grade Bonds	-0.07	-0.02	1.00		
D. Marketable Alternatives	0.60	0.67	-0.02	1.00	
E. Private Real Estate	0.12	0.10	-0.09	0.15	1.00

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

3. Administrative Expenses

Expenses are assumed to remain level as future inflation is offset by declines in total plan participation. These expenses are allocated between the Original Plan and Successor Plan based on projected headcounts with PBGC premiums paid by the Original Plan for the 10-year period following the partition effective date (premiums are assumed to increase 1% per year). For scenarios where the Plan is projected insolvent, we assume expenses would be reduced 25% in the plan year following insolvency. Finally, expenses are limited to 20% of expected benefit payments in scenarios where the PBGC provides financial assistance in either the Successor Plan or after insolvency.

4. Rates of Mortality

- Healthy Lives: RP2000 with blue collar adjustment projected 5-years with scale AA
- Disabled Lives: same with ages set-forward five years

Terminated Vested Participants over age 80 are assumed to be deceased.

In accordance with Actuarial Standard of Practice #35, we have considered the effect of mortality improvement prior to and subsequent to the measurement date in developing this assumption. Furthermore, historical mortality experience has conformed with the RP2000 table with adjustment.

5. Rates of Turnover

Terminations of employment for reasons other than death, disability or retirement are assumed to be in accordance with annual rates as shown below for illustrative ages.

Age	Service			
	0 - 1	1 - 2	2 - 3	3+
25	20.5%	20.5%	19.0%	15.0%
35	16.9	16.9	16.9	11.3
45	15.0	15.0	12.4	7.8
55	15.0	15.0	7.0	7.0
62	15.0	15.0	7.0	7.0

6. Rates of Disability

Illustrative rates of disablement are shown below:

Age	Rate
25	0.050%
35	0.065
45	0.244
55	0.406
65	0.000

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

7. Rates of Retirement

Annual rates as shown below for illustrative ages.

Age	Rate
55-59	3.00%
60	5.00
61	10.00
62-64	15.00
65-69	50.00
70	100.00

8. Normal Form: Life Annuity

9. Changes in Membership / Contribution Base Units

Based on the Trustees' Industry Activity assumption used in the most recent PPA Certification assuming membership will decline 10% per year. However, after the effective date of the suspension / partition we assume stable membership (see response to Section 6.03 of Revenue Procedure 2016-27 in the Benefit Suspension Application).

10. New Entrant Profile

New entrants are assumed to annually join the Plan in accordance with the distribution below (which is based on the Plan's most recent 5-year history of new entrants) and in combination with the Changes in Membership assumption. The benefits for new entrants (normal cost and projected benefit payments) are adjusted such that the total normal cost remains consistent over the baseline projection.

Age	Distribution of New Entrants
23	22%
28	19
33	13
37	11
43	15
47	10
53	10

11. Contribution Increases / Average Contribution Rate: the current Rehabilitation Plan assumes 5.5% per year annual increases. However, after the effective date of the suspension / partition we assume contributions increase with inflation at 1.5% per year. These increases are applied annually to the average weighted contribution rate to estimate employer contributions in combination with the Changes in Membership assumption.

12. Suspension: the projection assumes the maximum suspension permitted in accordance with ERISA Section 305(e)(9)(D)(i) effective May 1, 2017.

13. Partition: the projection assumes 100% of the liability associated with the terminated vested participants and 49% of the liability associated with the retirees and beneficiaries are partitioned to the Successor Plan effective May 1, 2017. All liability associated with the active participants would remain in the Original Plan.

APPENDIX II – METHODOLOGY AND ASSUMPTIONS

14. Justification for Actuarial Assumptions: The rationale for our 6.75% actuarial valuation assumption is based on the investment manager's capital market outlook, Trustees' risk preference, and the Fund's current asset allocation. The rationale for our stress testing scenario (2.00% for the plan year ending Feb 2017, increasing by 1% per year for the next four years, followed by 6.75% thereafter) is based on recognizing current market conditions and future short-term expectations along with the Plan's cash flow characteristics. Our demographic assumptions were initially set after a 2007 Experience Study and are annually reviewed based upon actual experience.

15. Changes in Assumptions Since Last Valuation: None

B. Actuarial Funding Method

The cost method for determining liabilities for this valuation is the Unit Credit Cost method. This is one of a family of valuation methods known as accrued benefit methods. The chief characteristic of accrued benefit methods is that the funding pattern follows the pattern of benefit accrual. The normal cost is determined as that portion of each participant's benefit attributable to service expected to be earned in the upcoming plan year. The Actuarial Liability, which is determined for each participant as of each valuation date, represents the actuarial present value of the portion of each participant's benefit attributable to service earned prior to the valuation date.