

UNITED FURNITURE WORKERS *Employees Pension Fund*

P.O. BOX 100037
NASHVILLE, TN 37224

TEL: 615-889-8860
FAX: 615-391-0865

1910 AIR LANE DRIVE
NASHVILLE, TN 37210

Trustees
ELMO DE SILVA
ULISES VERGARA
DEE ANNE WALKER

HARRY BOOT
Chairman

DEE ANNE WALKER
Director

CHEIRON
Actuarial Consultants
BRYAN CAVE LLP
General Counsel
JOSEPH WARREN & CO
Certified Public Accountants


April 30, 2010

Department of Labor
Employee Benefits Security Administrations
Public Disclosure Room, N-1513
200 Constitution Avenue, NW
Washington, DC 20210

To Whom It May Concern:

The enclosed Notice of Critical Status for 2010 for the United Furniture Workers Employees Pension Fund has been mailed to the Fund's covered participants, beneficiaries receiving benefits, local unions representing the participants of the Plan, each contributing employer and the Pension Benefit Guarantee Corp.

Sincerely yours,


Dee Anne Walker
Director

DAW/lf

Enclosure

CC: Mr. Harry Boot
Mr. Christian Benjaminson
Kyle Flaherty, Esquire

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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Notice of Critical Status for Pension Plan for Employees of United Furniture Workers of America

This is to inform you that on March 31, 2010 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical status for the plan year beginning January 1, 2010. Federal law requires that you receive this notice.

Critical Status

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that over the next three plan years, the plan is projected to have an accumulated funding deficiency for the plan year ending 2012.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the trustees of the plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits (other than a repeal of a recent benefit increase, as described below) will not reduce the level of a participant's basic benefit payable at normal retirement. **In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 30, 2010. Therefore, if the effective date of your pension is before April 30, 2010, your pension benefit will not be affected by those reductions.** But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of April 30, 2010, the plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status.

Adjustable Benefits

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt:

- 120 month payment guarantees;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- Other similar benefits, rights, or features under the plan

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding plan year thereafter in which the plan is in critical status.

Where to Get More Information

For more information about this Notice, you may contact the Fund Office by telephone at 1-615-889-8860 or by letter at 1910 Air Lane Drive, Nashville, TN 37210. You have a right to receive a copy of the rehabilitation plan from the plan.