Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

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

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

OMB Nos. 1210-0110
1210-0089

2010

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

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

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

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

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

Part II Basic Plan Information—enter all requested information

1a Name of plan
STAR FURNITURE COMPANY 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2001

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
STAR FURNITURE COMPANY

16666 BARKER SPRINGS RD
HOUSTON, TX 77084

2b Employer Identification Number (EIN)
74-0920070

2c Sponsor's telephone number
800-364-6661

2d Business code (see instructions)
442110

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

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/06/2011	GARY F. GIBSON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/06/2011	GARY F. GIBSON
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
STAR FURNITURE COMPANY

16666 BARKER SPRINGS RD
HOUSTON, TX 77084

3b Administrator's EIN
74-0920070

3c Administrator's telephone number
800-364-6661

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

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	634
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	617
b	Retired or separated participants receiving benefits	**6b**	
c	Other retired or separated participants entitled to future benefits	**6c**	42
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	659
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	4
f	Total. Add lines **6d** and **6e**	**6f**	663
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	314
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	2
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 2J 2K 2T 3D

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

9a Plan funding arrangement (check all that apply)

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

9b Plan benefit arrangement (check all that apply)

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

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

a Pension Schedules

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

b General Schedules

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

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
STAR FURNITURE COMPANY 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
STAR FURNITURE COMPANY

D Employer Identification Number (EIN)
74-0920070

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

INVESCO AIM

76-0528004

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

AMERICAN FUNDS

95-1411037

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

ARTISAN

39-1811840

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

DAVIS FUNDS

52-1346931

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

JANUS

43-1804048

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

MFS

04-2747644

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

PIMCO FUNDS

95-2632339

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

T. ROWE PRICE

52-2264646

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

VAN KAMPEN

36-2811402

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

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

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

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

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

WELLS FARGO BANK, N.A.

94-1347393

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 19 21 37 38 50 59 60 62 63	SERVICE PROVIDER	3175	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

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

HOWARD & CO., LLP

20-2257536

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	SERVICE PROVIDER	6800	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

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

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

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

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

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

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

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

Part I Service Provider Information (continued)

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

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

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

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

Part II Service Providers Who Fail or Refuse to Provide Information

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

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

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

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

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

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

Explanation:

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2010

This Form is Open to Public Inspection

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
STAR FURNITURE COMPANY 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
STAR FURNITURE COMPANY

D Employer Identification Number (EIN)
74-0920070

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	1657	
(2) Participant contributions	1b(2)	17894	
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	442993	457478
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	10722684	12182101
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	11185228	12639579
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	11185228	12639579

Part II Income and Expense Statement

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

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	194287	
(B) Participants	2a(1)(B)	1036687	
(C) Others (including rollovers)	2a(1)(C)	18999	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1249973
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	27847	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		27847
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	73309	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		73309
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		1260471
c Other income	2c		468
d Total income. Add all **income** amounts in column (b) and enter total	2d		2612068
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1069087	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		1069087
f Corrective distributions (see instructions)	2f		78085
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	10545	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		10545
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1157717
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		1454351
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

(1) Name: HOWARD & CO, LLP **(2)** EIN: 20-2257536

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

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

Part IV Compliance Questions

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

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

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

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

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

SCHEDULE R
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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

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

OMB No. 1210-0110

2010

This Form is Open to Public Inspection.

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
STAR FURNITURE COMPANY 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
STAR FURNITURE COMPANY

D Employer Identification Number (EIN)
74-0920070

Part I Distributions

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

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

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

EIN(s): 41-6257133 56-1354495

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

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

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

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

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

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

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

6 **a** Enter the minimum required contribution for this plan year **6a**

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

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

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

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

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

Part III Amendments

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

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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

---

a Name of contributing employer

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

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

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---

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(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

STAR FURNITURE COMPANY
401(k) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

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INDEPENDENT AUDITOR'S REPORT

September 30, 2011

Plan Administrator of Star Furniture Company 401(k) Plan
Houston, Texas

We were engaged to audit the financial statements of Star Furniture Company 401(k) Plan (the "Plan") as of December 31, 2010 and 2009 and for the years then ended, and the supplemental schedule as of December 31, 2010, listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Wells Fargo Retirement Plan Services, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental information. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and schedule, other than that derived from the information certified by the trustee, has been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

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STAR FURNITURE COMPANY 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,	2010	2009
Assets		
Investments		
Participant-directed	$ 12,182,101	$ 10,722,684
Total investments	12,182,101	10,722,684
Notes receivable from participants	457,478	442,993
Receivables		
Participant contributions	-	17,894
Employer contributions	-	1,657
Total Assets	12,639,579	11,185,228
Liabilities - Excess contributions payable	71,534	76,159
Net assets available for benefits	$ 12,568,045	$ 11,109,069

The accompanying notes are an integral part of these financial statements.

STAR FURNITURE COMPANY 401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31	2010	2009
Additions to net assets attributed to:		
Investment income		
Net appreciation in fair value of investments	$ 1,200,969	$ 1,892,058
Interest and dividends	161,127	192,620
Total investment income	1,362,096	2,084,678
Contributions		
Employer	194,289	198,913
Employee	1,055,686	1,103,393
Total contributions	1,249,975	1,302,306
Total additions	2,612,071	3,386,984
Deductions from net assets attributed to:		
Distributions to participants	1,075,080	563,247
Corrective distributions	71,534	76,159
Administrative expenses	6,481	32,053
Total deductions	1,153,095	671,459
Net increase	1,458,976	2,715,525
Net assets available for benefits, beginning of year	11,109,069	8,393,544
Net assets available for benefits, end of year	$ 12,568,045	$ 11,109,069

The accompanying notes are an integral part of these financial statements.

STAR FURNITURE COMPANY 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

1. Description of Plan

The following description of Star Furniture Company 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

In preparation of these financial statements and related footnotes, the Plan's management has considered events through September 30, 2011, the date these financial statements were available to be issued.

General - The Plan is a defined contribution profit sharing plan adopted as of January 1, 2001, by Star Furniture Company (the "Company"). All employees of the Company who have one year of service and are 18 years of age or older are eligible to participate. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and is defined by Section 401(k) of the Internal Revenue Code.

Plan Year - The plan year begins January 1 and ends December 31. Participants may enter the Plan on the day following satisfaction of their eligibility requirement.

Contributions - Each year, participants may contribute up to 100 percent of pretax annual compensation, limited to $16,500 for 2010. Participants age 50 or older may elect to defer an additional $5,500 for 2010. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company contributes 100% of the first $300 of participant contributions plus 25% of the remaining participant contributions between $301 and $3,000. Contributions are subject to certain limitations as defined in the Plan as required by ERISA.

Participant Accounts - Each participant's account is credited with (1) the participant's contribution, (2) participant's rollover amount from another qualified plan, and (3) allocation of (a) the Company's contribution, and (b) Plan earnings, and charged with an allocation of administration expenses. Allocations are based on participant contributions, participant earnings, or account balances, as defined in the Plan.

Payment of Benefits - Distributions to a participant or to the beneficiaries of the participant are made in a lump sum upon retirement, death, disability, or other termination of employment. Distributions equal the value of the participant's vested balance in his or her account. Benefits are recorded when paid.

1. Description of Plan (continued)

Loans to Participants - Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. Loan terms range from one to five years, unless it is used to acquire a participant's principal residence, in which case it may exceed five years. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Company. Principal and interest is paid ratably through regular payroll deductions.

Investment Options - Upon enrollment in the Plan, a participant may direct contributions into the investment options provided by the Plan. Participants may re-allocate their accounts periodically.

Vesting - Participants are fully vested at all times in their elective deferral account and rollover account plus actual earnings thereon. Vesting in the Company's matching contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. Participants are not vested until they have completed three years of service. At that time, they become fully vested.

Forfeitures - Forfeitures are created when participants terminate employment before becoming entitled to their full benefits under the Plan. The forfeited amounts may be used to reduce future Company contributions. During 2010, forfeitures totaling approximately $728 were used to reduce company contributions. During 2009, such forfeitures totaled approximately $4,030.

2. Summary of the Accounting Policies

Basis of Presentation - The financial statements of the Plan are prepared under the accrual basis of accounting. Purchases and sales of securities are recorded on a trade-date basis. Interest and dividends are recorded on the date paid to the Plan's investment account.

Investment Valuation - The Plan's investments are stated at fair value and are based on closing market prices as certified by Wells Fargo Retirement Plan Services.

Risks and Uncertainties - The Plan provides for various investment options. These investments are exposed to risks from changes in interest rates and other market fluctuations. It is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statement and the reported amount of revenues and expenses for the year then ended. Actual results could differ from those estimates.

3. Fair Value Measurements

Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. The Plan's investments are comprised of mutual funds which qualify as Level 1 and are based on quoted net asset value of the shares held by the Plan at year end. No Level 2 or Level 3 inputs were available.

4. Information Prepared and Certified by Trustee

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by the trustee:

	2010	2009
Investments, at fair value	$12,182,101	$10,722,684
Investment income	1,362,096	2,084,678

5. Investments

Following are the Plan's investments at December 31, 2010 and 2009.

	2010	2009
Davis NY Venture	$ 1,800,382	$ 1,591,104
Pimco Total Return Fund Admin	1,603,225	1,477,268
WF Money Market	1,262,710	1,363,072
Van Kampen Equity and Income	1,223,812	1,078,553
American Funds Growth	1,202,622	1,148,968
MFS Research International	1,124,525	1,058,847
T. Rowe Price Midcap Growth	998,585	624,157
WF Advantage Small Cap Value	763,298	603,272
Invesco Small Cap Growth	700,209	-
Janus Overseas	504,001	419,359
MFS Value R3	345,487	297,236
WF Advantage Dow Jones Trgt 2020	218,936	83,623
WF Advantage Index Admin	147,944	150,368
Artisian Mid Cap Value	98,388	44,499
WF Advantage Dow Jones Trgt 2010	64,849	103,350
WF Advantage Dow Jones Trgt 2030	61,019	27,036
WF Advantage Dow Jones Trgt 2040	26,412	14,910
WF Advantage Dow Jones Trgt 2050	20,124	12,630
WF Advantage Dow Jones Trgt Today	15,573	18,242
AIM Small Cap Growth	-	606,190
	$ 12,182,101	$ 10,722,684

6. Income Taxes

The Plan is a non-standardized prototype plan. The Internal Revenue Service has determined and informed the preparer of the prototype plan by letter dated August 30, 2001, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. The Company has not obtained a determination letter for the Plan subsequent to its initiation; however, the Company believes the Plan continues to operate in accordance with the requirements set forth in the Internal Revenue Code.

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If terminated, net assets of the Plan will be distributed to participants and beneficiaries as prescribed by the terms of the Plan. Participants will become 100 percent vested in their accounts.

8. Reconciliation of Financial Statements to Form 5500

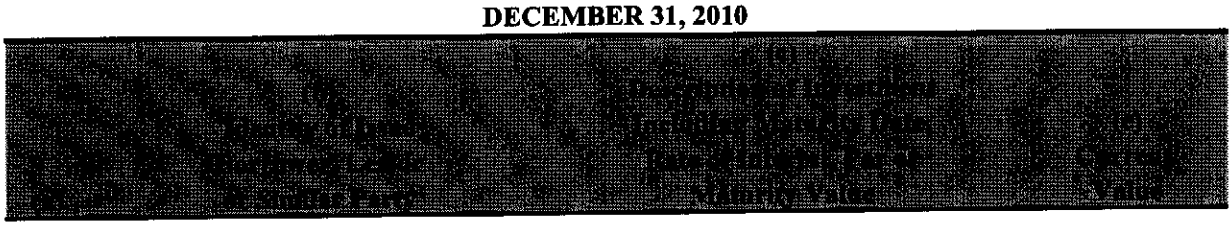
The following schedule reconciles net assets available for benefits as presented in form 5500 and the financial statements as of December 31, 2010 and 2009.

	2010	2009
Net assets available for benefits – financial statements	$12,568,045	$11,109,069
Excess contributions payable	71,534	76,159
Net assets available for benefits – Form 5500	$12,639,579	$11,185,228

The following schedule reconciles corrective distributions reflected in the financial statements to Form 5500 for the year ended December 31, 2010 and 2009.

	2010	2009
Corrective distributions – financial statements	$ 71,534	$ 76,159
Add: amount recorded in the year settled	76,159	38,073
Excess contribution payable	(71,534)	(76,159)
Other	1,926	1
Corrective distributions – Form 5500	$ 78,085	$ 38,074

STAR FURNITURE COMPANY 401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN - 74-0920070, PLAN - 001
DECEMBER 31, 2010



	Davis NY Venture	Mutual Fund	$	1,800,382
	Pimco Total Return Fund Admin	Mutual Fund		1,603,225
*	WF Money Market	Mutual Fund		1,262,710
	American Funds Growth	Mutual Fund		1,202,622
	Van Kampen Equity and Income	Mutual Fund		1,223,812
	MFS Research International	Mutual Fund		1,124,525
	T. Rowe Price Midcap Growth	Mutual Fund		998,585
	Invesco Small Cap Growth	Mutual Fund		700,209
*	WF Advantage Small Cap Value	Mutual Fund		763,298
	Janus Overseas	Mutual Fund		504,001
	MFS Value R3	Mutual Fund		345,487
*	WF Advantage Index Admin	Mutual Fund		147,944
*	WF Advantage Dow Jones Trgt 2010	Mutual Fund		64,849
*	WF Advantage Dow Jones Trgt 2020	Mutual Fund		218,936
	Artisian Mid Cap Value	Mutual Fund		98,388
*	WF Advantage Dow Jones Trgt 2030	Mutual Fund		61,019
*	WF Advantage Dow Jones Trgt Today	Mutual Fund		15,573
*	WF Advantage Dow Jones Trgt 2040	Mutual Fund		26,412
*	WF Advantage Dow Jones Trgt 2050	Mutual Fund		20,124
*	Participant Loans	Interest rates: 4% to 8.5%		457,478

* Represents a party in interest to the Plan.

Column (d) is not applicable.

STAR FURNITURE COMPANY
401(k) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

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INDEPENDENT AUDITOR'S REPORT

September 30, 2011

Plan Administrator of Star Furniture Company 401(k) Plan
Houston, Texas

We were engaged to audit the financial statements of Star Furniture Company 401(k) Plan (the "Plan") as of December 31, 2010 and 2009 and for the years then ended, and the supplemental schedule as of December 31, 2010, listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Wells Fargo Retirement Plan Services, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental information. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and schedule, other than that derived from the information certified by the trustee, has been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Howard & Co., LLP

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STAR FURNITURE COMPANY 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,	2010	2009
Assets		
Investments		
Participant-directed	$ 12,182,101	$ 10,722,684
Total investments	12,182,101	10,722,684
Notes receivable from participants	457,478	442,993
Receivables		
Participant contributions	-	17,894
Employer contributions	-	1,657
Total Assets	12,639,579	11,185,228
Liabilities - Excess contributions payable	71,534	76,159
Net assets available for benefits	$ 12,568,045	$ 11,109,069

The accompanying notes are an integral part of these financial statements.

STAR FURNITURE COMPANY 401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31	2010	2009
Additions to net assets attributed to:		
Investment income		
Net appreciation in fair value of investments	$ 1,200,969	$ 1,892,058
Interest and dividends	161,127	192,620
Total investment income	1,362,096	2,084,678
Contributions		
Employer	194,289	198,913
Employee	1,055,686	1,103,393
Total contributions	1,249,975	1,302,306
Total additions	2,612,071	3,386,984
Deductions from net assets attributed to:		
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Total deductions	1,153,095	671,459
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Net assets available for benefits, end of year	$ 12,568,045	$ 11,109,069

The accompanying notes are an integral part of these financial statements.

STAR FURNITURE COMPANY 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

1. Description of Plan

The following description of Star Furniture Company 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

In preparation of these financial statements and related footnotes, the Plan's management has considered events through September 30, 2011, the date these financial statements were available to be issued.

General - The Plan is a defined contribution profit sharing plan adopted as of January 1, 2001, by Star Furniture Company (the "Company"). All employees of the Company who have one year of service and are 18 years of age or older are eligible to participate. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and is defined by Section 401(k) of the Internal Revenue Code.

Plan Year - The plan year begins January 1 and ends December 31. Participants may enter the Plan on the day following satisfaction of their eligibility requirement.

Contributions - Each year, participants may contribute up to 100 percent of pretax annual compensation, limited to $16,500 for 2010. Participants age 50 or older may elect to defer an additional $5,500 for 2010. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company contributes 100% of the first $300 of participant contributions plus 25% of the remaining participant contributions between $301 and $3,000. Contributions are subject to certain limitations as defined in the Plan as required by ERISA.

Participant Accounts - Each participant's account is credited with (1) the participant's contribution, (2) participant's rollover amount from another qualified plan, and (3) allocation of (a) the Company's contribution, and (b) Plan earnings, and charged with an allocation of administration expenses. Allocations are based on participant contributions, participant earnings, or account balances, as defined in the Plan.

Payment of Benefits - Distributions to a participant or to the beneficiaries of the participant are made in a lump sum upon retirement, death, disability, or other termination of employment. Distributions equal the value of the participant's vested balance in his or her account. Benefits are recorded when paid.

1. Description of Plan (continued)

Loans to Participants - Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. Loan terms range from one to five years, unless it is used to acquire a participant's principal residence, in which case it may exceed five years. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Company. Principal and interest is paid ratably through regular payroll deductions.

Investment Options - Upon enrollment in the Plan, a participant may direct contributions into the investment options provided by the Plan. Participants may re-allocate their accounts periodically.

Vesting - Participants are fully vested at all times in their elective deferral account and rollover account plus actual earnings thereon. Vesting in the Company's matching contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. Participants are not vested until they have completed three years of service. At that time, they become fully vested.

Forfeitures - Forfeitures are created when participants terminate employment before becoming entitled to their full benefits under the Plan. The forfeited amounts may be used to reduce future Company contributions. During 2010, forfeitures totaling approximately $728 were used to reduce company contributions. During 2009, such forfeitures totaled approximately $4,030.

2. Summary of the Accounting Policies

Basis of Presentation - The financial statements of the Plan are prepared under the accrual basis of accounting. Purchases and sales of securities are recorded on a trade-date basis. Interest and dividends are recorded on the date paid to the Plan's investment account.

Investment Valuation - The Plan's investments are stated at fair value and are based on closing market prices as certified by Wells Fargo Retirement Plan Services.

Risks and Uncertainties - The Plan provides for various investment options. These investments are exposed to risks from changes in interest rates and other market fluctuations. It is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statement and the reported amount of revenues and expenses for the year then ended. Actual results could differ from those estimates.

3. Fair Value Measurements

Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. The Plan's investments are comprised of mutual funds which qualify as Level 1 and are based on quoted net asset value of the shares held by the Plan at year end. No Level 2 or Level 3 inputs were available.

4. Information Prepared and Certified by Trustee

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by the trustee:

	2010	2009
Investments, at fair value	$12,182,101	$10,722,684
Investment income	1,362,096	2,084,678

5. Investments

Following are the Plan's investments at December 31, 2010 and 2009.

	2010	2009
Davis NY Venture	$ 1,800,382	$ 1,591,104
Pimco Total Return Fund Admin	1,603,225	1,477,268
WF Money Market	1,262,710	1,363,072
Van Kampen Equity and Income	1,223,812	1,078,553
American Funds Growth	1,202,622	1,148,968
MFS Research International	1,124,525	1,058,847
T. Rowe Price Midcap Growth	998,585	624,157
WF Advantage Small Cap Value	763,298	603,272
Invesco Small Cap Growth	700,209	-
Janus Overseas	504,001	419,359
MFS Value R3	345,487	297,236
WF Advantage Dow Jones Trgt 2020	218,936	83,623
WF Advantage Index Admin	147,944	150,368
Artisian Mid Cap Value	98,388	44,499
WF Advantage Dow Jones Trgt 2010	64,849	103,350
WF Advantage Dow Jones Trgt 2030	61,019	27,036
WF Advantage Dow Jones Trgt 2040	26,412	14,910
WF Advantage Dow Jones Trgt 2050	20,124	12,630
WF Advantage Dow Jones Trgt Today	15,573	18,242
AIM Small Cap Growth	-	606,190
	$ 12,182,101	$ 10,722,684

6. Income Taxes

The Plan is a non-standardized prototype plan. The Internal Revenue Service has determined and informed the preparer of the prototype plan by letter dated August 30, 2001, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. The Company has not obtained a determination letter for the Plan subsequent to its initiation; however, the Company believes the Plan continues to operate in accordance with the requirements set forth in the Internal Revenue Code.

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If terminated, net assets of the Plan will be distributed to participants and beneficiaries as prescribed by the terms of the Plan. Participants will become 100 percent vested in their accounts.

8. Reconciliation of Financial Statements to Form 5500

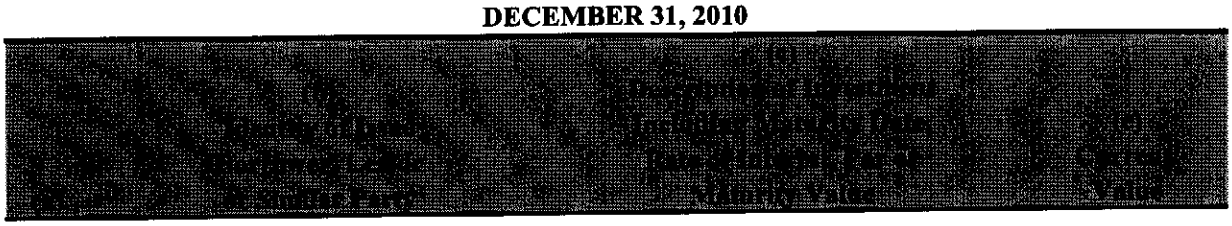
The following schedule reconciles net assets available for benefits as presented in form 5500 and the financial statements as of December 31, 2010 and 2009.

	2010	2009
Net assets available for benefits – financial statements	$12,568,045	$11,109,069
Excess contributions payable	71,534	76,159
Net assets available for benefits – Form 5500	$12,639,579	$11,185,228

The following schedule reconciles corrective distributions reflected in the financial statements to Form 5500 for the year ended December 31, 2010 and 2009.

	2010	2009
Corrective distributions – financial statements	$ 71,534	$ 76,159
Add: amount recorded in the year settled	76,159	38,073
Excess contribution payable	(71,534)	(76,159)
Other	1,926	1
Corrective distributions – Form 5500	$ 78,085	$ 38,074

STAR FURNITURE COMPANY 401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN - 74-0920070, PLAN - 001
DECEMBER 31, 2010



	Davis NY Venture	Mutual Fund	$	1,800,382
	Pimco Total Return Fund Admin	Mutual Fund		1,603,225
*	WF Money Market	Mutual Fund		1,262,710
	American Funds Growth	Mutual Fund		1,202,622
	Van Kampen Equity and Income	Mutual Fund		1,223,812
	MFS Research International	Mutual Fund		1,124,525
	T. Rowe Price Midcap Growth	Mutual Fund		998,585
	Invesco Small Cap Growth	Mutual Fund		700,209
*	WF Advantage Small Cap Value	Mutual Fund		763,298
	Janus Overseas	Mutual Fund		504,001
	MFS Value R3	Mutual Fund		345,487
*	WF Advantage Index Admin	Mutual Fund		147,944
*	WF Advantage Dow Jones Trgt 2010	Mutual Fund		64,849
*	WF Advantage Dow Jones Trgt 2020	Mutual Fund		218,936
	Artisian Mid Cap Value	Mutual Fund		98,388
*	WF Advantage Dow Jones Trgt 2030	Mutual Fund		61,019
*	WF Advantage Dow Jones Trgt Today	Mutual Fund		15,573
*	WF Advantage Dow Jones Trgt 2040	Mutual Fund		26,412
*	WF Advantage Dow Jones Trgt 2050	Mutual Fund		20,124
*	Participant Loans	Interest rates: 4% to 8.5%		457,478

* Represents a party in interest to the Plan.

Column (d) is not applicable.

STAR FURNITURE COMPANY
401(k) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

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INDEPENDENT AUDITOR'S REPORT

September 30, 2011

Plan Administrator of Star Furniture Company 401(k) Plan
Houston, Texas

We were engaged to audit the financial statements of Star Furniture Company 401(k) Plan (the "Plan") as of December 31, 2010 and 2009 and for the years then ended, and the supplemental schedule as of December 31, 2010, listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Wells Fargo Retirement Plan Services, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental information. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and schedule, other than that derived from the information certified by the trustee, has been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

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STAR FURNITURE COMPANY 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,	2010	2009
Assets		
Investments		
Participant-directed	$ 12,182,101	$ 10,722,684
Total investments	12,182,101	10,722,684
Notes receivable from participants	457,478	442,993
Receivables		
Participant contributions	-	17,894
Employer contributions	-	1,657
Total Assets	12,639,579	11,185,228
Liabilities - Excess contributions payable	71,534	76,159
Net assets available for benefits	$ 12,568,045	$ 11,109,069

The accompanying notes are an integral part of these financial statements.

STAR FURNITURE COMPANY 401(k) PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

Year Ended December 31	2010	2009
Additions to net assets attributed to:		
Investment income		
Net appreciation in fair value of investments	$ 1,200,969	$ 1,892,058
Interest and dividends	161,127	192,620
Total investment income	1,362,096	2,084,678
Contributions		
Employer	194,289	198,913
Employee	1,055,686	1,103,393
Total contributions	1,249,975	1,302,306
Total additions	2,612,071	3,386,984
Deductions from net assets attributed to:		
Distributions to participants	1,075,080	563,247
Corrective distributions	71,534	76,159
Administrative expenses	6,481	32,053
Total deductions	1,153,095	671,459
Net increase	1,458,976	2,715,525
Net assets available for benefits, beginning of year	11,109,069	8,393,544
Net assets available for benefits, end of year	$ 12,568,045	$ 11,109,069

The accompanying notes are an integral part of these financial statements.

STAR FURNITURE COMPANY 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

1. Description of Plan

The following description of Star Furniture Company 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

In preparation of these financial statements and related footnotes, the Plan's management has considered events through September 30, 2011, the date these financial statements were available to be issued.

General - The Plan is a defined contribution profit sharing plan adopted as of January 1, 2001, by Star Furniture Company (the "Company"). All employees of the Company who have one year of service and are 18 years of age or older are eligible to participate. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA) and is defined by Section 401(k) of the Internal Revenue Code.

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Participant Accounts - Each participant's account is credited with (1) the participant's contribution, (2) participant's rollover amount from another qualified plan, and (3) allocation of (a) the Company's contribution, and (b) Plan earnings, and charged with an allocation of administration expenses. Allocations are based on participant contributions, participant earnings, or account balances, as defined in the Plan.

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1. Description of Plan (continued)

Loans to Participants - Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. Loan terms range from one to five years, unless it is used to acquire a participant's principal residence, in which case it may exceed five years. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Company. Principal and interest is paid ratably through regular payroll deductions.

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2. Summary of the Accounting Policies

Basis of Presentation - The financial statements of the Plan are prepared under the accrual basis of accounting. Purchases and sales of securities are recorded on a trade-date basis. Interest and dividends are recorded on the date paid to the Plan's investment account.

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Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statement and the reported amount of revenues and expenses for the year then ended. Actual results could differ from those estimates.

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4. Information Prepared and Certified by Trustee

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by the trustee:

	2010	2009
Investments, at fair value	$12,182,101	$10,722,684
Investment income	1,362,096	2,084,678

5. Investments

Following are the Plan's investments at December 31, 2010 and 2009.

	2010	2009
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WF Advantage Dow Jones Trgt 2040	26,412	14,910
WF Advantage Dow Jones Trgt 2050	20,124	12,630
WF Advantage Dow Jones Trgt Today	15,573	18,242
AIM Small Cap Growth	-	606,190
	$ 12,182,101	$ 10,722,684

6. Income Taxes

The Plan is a non-standardized prototype plan. The Internal Revenue Service has determined and informed the preparer of the prototype plan by letter dated August 30, 2001, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. The Company has not obtained a determination letter for the Plan subsequent to its initiation; however, the Company believes the Plan continues to operate in accordance with the requirements set forth in the Internal Revenue Code.

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If terminated, net assets of the Plan will be distributed to participants and beneficiaries as prescribed by the terms of the Plan. Participants will become 100 percent vested in their accounts.

8. Reconciliation of Financial Statements to Form 5500

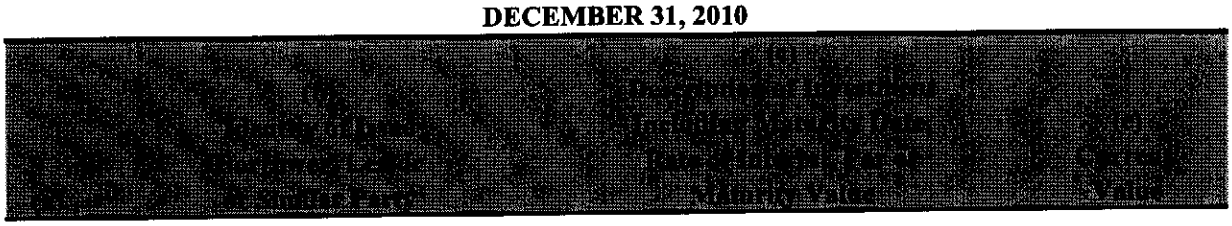
The following schedule reconciles net assets available for benefits as presented in form 5500 and the financial statements as of December 31, 2010 and 2009.

	2010	2009
Net assets available for benefits – financial statements	$12,568,045	$11,109,069
Excess contributions payable	71,534	76,159
Net assets available for benefits – Form 5500	$12,639,579	$11,185,228

The following schedule reconciles corrective distributions reflected in the financial statements to Form 5500 for the year ended December 31, 2010 and 2009.

	2010	2009
Corrective distributions – financial statements	$ 71,534	$ 76,159
Add: amount recorded in the year settled	76,159	38,073
Excess contribution payable	(71,534)	(76,159)
Other	1,926	1
Corrective distributions – Form 5500	$ 78,085	$ 38,074

STAR FURNITURE COMPANY 401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN - 74-0920070, PLAN - 001
DECEMBER 31, 2010



	Davis NY Venture	Mutual Fund	$	1,800,382
	Pimco Total Return Fund Admin	Mutual Fund		1,603,225
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*	Participant Loans	Interest rates: 4% to 8.5%		457,478

* Represents a party in interest to the Plan.

Column (d) is not applicable.

STAR FURNITURE COMPANY
401(k) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2010 AND 2009

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INDEPENDENT AUDITOR'S REPORT

September 30, 2011

Plan Administrator of Star Furniture Company 401(k) Plan
Houston, Texas

We were engaged to audit the financial statements of Star Furniture Company 401(k) Plan (the "Plan") as of December 31, 2010 and 2009 and for the years then ended, and the supplemental schedule as of December 31, 2010, listed in the accompanying index. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Wells Fargo Retirement Plan Services, the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental information. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of and for the years ended December 31, 2010 and 2009, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and schedule, other than that derived from the information certified by the trustee, has been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, is presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

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STAR FURNITURE COMPANY 401(k) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

December 31,	2010	2009
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Year Ended December 31	2010	2009
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The accompanying notes are an integral part of these financial statements.

STAR FURNITURE COMPANY 401(k) PLAN
NOTES TO FINANCIAL STATEMENTS

1. Description of Plan

The following description of Star Furniture Company 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

In preparation of these financial statements and related footnotes, the Plan's management has considered events through September 30, 2011, the date these financial statements were available to be issued.

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1. Description of Plan (continued)

Loans to Participants - Participants may borrow from their accounts a minimum of $1,000 up to a maximum equal to the lesser of $50,000 or 50 percent of their account balance. Loan terms range from one to five years, unless it is used to acquire a participant's principal residence, in which case it may exceed five years. The loans are secured by the balance in the participant's account and bear interest at a rate commensurate with local prevailing rates as determined by the Company. Principal and interest is paid ratably through regular payroll deductions.

Investment Options - Upon enrollment in the Plan, a participant may direct contributions into the investment options provided by the Plan. Participants may re-allocate their accounts periodically.

Vesting - Participants are fully vested at all times in their elective deferral account and rollover account plus actual earnings thereon. Vesting in the Company's matching contribution portion of their accounts plus actual earnings thereon is based on years of continuous service. Participants are not vested until they have completed three years of service. At that time, they become fully vested.

Forfeitures - Forfeitures are created when participants terminate employment before becoming entitled to their full benefits under the Plan. The forfeited amounts may be used to reduce future Company contributions. During 2010, forfeitures totaling approximately $728 were used to reduce company contributions. During 2009, such forfeitures totaled approximately $4,030.

2. Summary of the Accounting Policies

Basis of Presentation - The financial statements of the Plan are prepared under the accrual basis of accounting. Purchases and sales of securities are recorded on a trade-date basis. Interest and dividends are recorded on the date paid to the Plan's investment account.

Investment Valuation - The Plan's investments are stated at fair value and are based on closing market prices as certified by Wells Fargo Retirement Plan Services.

Risks and Uncertainties - The Plan provides for various investment options. These investments are exposed to risks from changes in interest rates and other market fluctuations. It is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statement and the reported amount of revenues and expenses for the year then ended. Actual results could differ from those estimates.

3. Fair Value Measurements

Generally accepted accounting principles establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Plan uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments.

When available, the Plan measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. The Plan's investments are comprised of mutual funds which qualify as Level 1 and are based on quoted net asset value of the shares held by the Plan at year end. No Level 2 or Level 3 inputs were available.

4. Information Prepared and Certified by Trustee

The following information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified as complete and accurate by the trustee:

	2010	2009
Investments, at fair value	$12,182,101	$10,722,684
Investment income	1,362,096	2,084,678

5. Investments

Following are the Plan's investments at December 31, 2010 and 2009.

	2010	2009
Davis NY Venture	$ 1,800,382	$ 1,591,104
Pimco Total Return Fund Admin	1,603,225	1,477,268
WF Money Market	1,262,710	1,363,072
Van Kampen Equity and Income	1,223,812	1,078,553
American Funds Growth	1,202,622	1,148,968
MFS Research International	1,124,525	1,058,847
T. Rowe Price Midcap Growth	998,585	624,157
WF Advantage Small Cap Value	763,298	603,272
Invesco Small Cap Growth	700,209	-
Janus Overseas	504,001	419,359
MFS Value R3	345,487	297,236
WF Advantage Dow Jones Trgt 2020	218,936	83,623
WF Advantage Index Admin	147,944	150,368
Artisian Mid Cap Value	98,388	44,499
WF Advantage Dow Jones Trgt 2010	64,849	103,350
WF Advantage Dow Jones Trgt 2030	61,019	27,036
WF Advantage Dow Jones Trgt 2040	26,412	14,910
WF Advantage Dow Jones Trgt 2050	20,124	12,630
WF Advantage Dow Jones Trgt Today	15,573	18,242
AIM Small Cap Growth	-	606,190
	$ 12,182,101	$ 10,722,684

6. Income Taxes

The Plan is a non-standardized prototype plan. The Internal Revenue Service has determined and informed the preparer of the prototype plan by letter dated August 30, 2001, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. The Company has not obtained a determination letter for the Plan subsequent to its initiation; however, the Company believes the Plan continues to operate in accordance with the requirements set forth in the Internal Revenue Code.

7. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. If terminated, net assets of the Plan will be distributed to participants and beneficiaries as prescribed by the terms of the Plan. Participants will become 100 percent vested in their accounts.

8. Reconciliation of Financial Statements to Form 5500

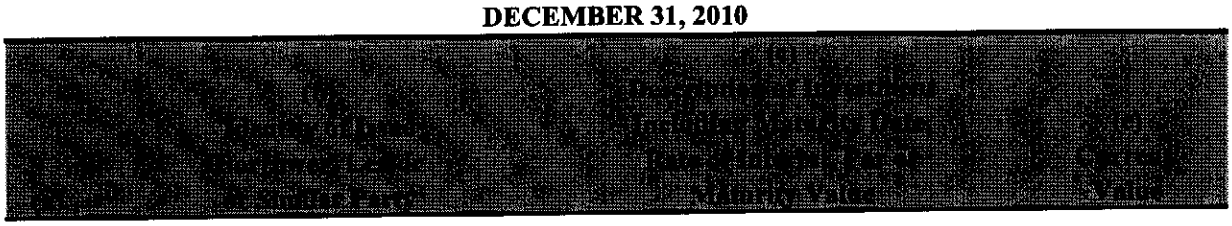
The following schedule reconciles net assets available for benefits as presented in form 5500 and the financial statements as of December 31, 2010 and 2009.

	2010	2009
Net assets available for benefits – financial statements	$12,568,045	$11,109,069
Excess contributions payable	71,534	76,159
Net assets available for benefits – Form 5500	$12,639,579	$11,185,228

The following schedule reconciles corrective distributions reflected in the financial statements to Form 5500 for the year ended December 31, 2010 and 2009.

	2010	2009
Corrective distributions – financial statements	$ 71,534	$ 76,159
Add: amount recorded in the year settled	76,159	38,073
Excess contribution payable	(71,534)	(76,159)
Other	1,926	1
Corrective distributions – Form 5500	$ 78,085	$ 38,074

STAR FURNITURE COMPANY 401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN - 74-0920070, PLAN - 001
DECEMBER 31, 2010



	Davis NY Venture	Mutual Fund	$	1,800,382
	Pimco Total Return Fund Admin	Mutual Fund		1,603,225
*	WF Money Market	Mutual Fund		1,262,710
	American Funds Growth	Mutual Fund		1,202,622
	Van Kampen Equity and Income	Mutual Fund		1,223,812
	MFS Research International	Mutual Fund		1,124,525
	T. Rowe Price Midcap Growth	Mutual Fund		998,585
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*	WF Advantage Index Admin	Mutual Fund		147,944
*	WF Advantage Dow Jones Trgt 2010	Mutual Fund		64,849
*	WF Advantage Dow Jones Trgt 2020	Mutual Fund		218,936
	Artisian Mid Cap Value	Mutual Fund		98,388
*	WF Advantage Dow Jones Trgt 2030	Mutual Fund		61,019
*	WF Advantage Dow Jones Trgt Today	Mutual Fund		15,573
*	WF Advantage Dow Jones Trgt 2040	Mutual Fund		26,412
*	WF Advantage Dow Jones Trgt 2050	Mutual Fund		20,124
*	Participant Loans	Interest rates: 4% to 8.5%		457,478

* Represents a party in interest to the Plan.

Column (d) is not applicable.