

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), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan; or ☒ 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:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information										
1a Name of plan <u>BIG SANDY FURNITURE, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>003</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>08/01/2002</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>61-0523463</u></td> </tr> <tr> <td colspan="2">2c Sponsor's telephone number <u>740-574-2113</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>442110</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>003</u>	1c Effective date of plan <u>08/01/2002</u>		2b Employer Identification Number (EIN) <u>61-0523463</u>		2c Sponsor's telephone number <u>740-574-2113</u>		2d Business code (see instructions) <u>442110</u>	
1b Three-digit plan number (PN) ▶	<u>003</u>										
1c Effective date of plan <u>08/01/2002</u>											
2b Employer Identification Number (EIN) <u>61-0523463</u>											
2c Sponsor's telephone number <u>740-574-2113</u>											
2d Business code (see instructions) <u>442110</u>											
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>BIG SANDY FURNITURE, INC.</u> <u>8375 GALLIA PIKE</u> <u>FRANKLIN FURNACE, OH 45629</u>											

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2014	LAURA TIMBERLAKE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2014	LAURA TIMBERLAKE
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address		3b Administrator's EIN	
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		3c Administrator's telephone number 4b EIN 4c PN	
5 Total number of participants at the beginning of the plan year		5	362
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	194
b Retired or separated participants receiving benefits		6b	60
c Other retired or separated participants entitled to future benefits.....		6c	90
d Subtotal. Add lines 6a , 6b , and 6c		6d	344
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6e	4
f Total. Add lines 6d and 6e		6f	348
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	348
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	29
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2I 2P 2Q 3I			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ 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) ☒ 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) ☒ 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) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☐ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2013 This Form is Open to Public Inspection
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For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A Name of plan <u>BIG SANDY FURNITURE, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BIG SANDY FURNITURE, INC.</u>	D Employer Identification Number (EIN) <u>61-0523463</u>	

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	6000	13203
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(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)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	4320000	4590000
(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	4326000	4603203

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i	1487962	1020579
j Other liabilities	1j	52079	35720
k Total liabilities (add all amounts in lines 1g through 1j)	1k	1540041	1056299

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	2785959	3546904
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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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	791661	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		791661

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)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0

(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)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0

(3) Rents	2b(3)		
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(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)		

(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	270000	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		270000

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		1061661

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	227689	
(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)		227689
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		72919
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)	108	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		108
j Total expenses. Add all expense amounts in column (b) and enter total	2j		300716

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		760945
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

(1) ☒ Unqualified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

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

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

(1) Name: GRIFFITH DELANEY HILLMAN & CO.

(2) EIN: 61-1223180

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

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

Part IV Compliance Questions

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

During the plan year:

- a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)
- b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

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

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

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

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

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

Part V Trust Information (optional)

6a Name of trust	6b Trust's EIN

SCHEDULE R (Form 5500) 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 2013 This Form is Open to Public Inspection.
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For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>BIG SANDY FURNITURE, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>BIG SANDY FURNITURE, INC.</u>	D Employer Identification Number (EIN) <u>61-0523463</u>

Part I	Distributions
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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	<u>0</u>
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): <u>74-3104744</u>		
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 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a		
b Enter the amount contributed by the employer to the plan for this plan year.....	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?.....	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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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.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☒ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☒ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?.....	☒ Yes	☐ No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

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

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

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

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

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

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

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

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

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

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

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

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

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

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012

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Griffith, DeLaney, Hillman & Company

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INDEPENDENT AUDITORS' REPORT

October 15, 2014

To the Plan Administrator of the
Big Sandy Furniture, Inc. Employee Stock Ownership Plan

Report on the Financial Statements

We have audited the accompanying financial statements of Big Sandy Furniture, Inc. Employee Stock Ownership Plan, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statement of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness

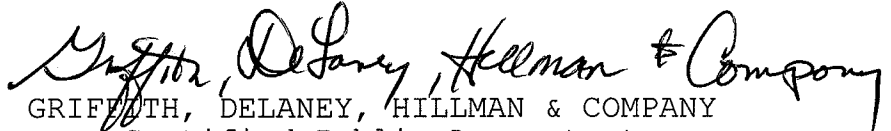
To the Plan Administrator of the
Big Sandy Furniture, Inc. Employee Stock Ownership Plan
Page 2

of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Big Sandy Furniture, Inc. Employee Stock Ownership Plan as of December 31, 2013 and 2012, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.


GRIFFITH, DELANEY, HILLMAN & COMPANY
Certified Public Accountants

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2013 AND DECEMBER 31, 2012

	<u>DECEMBER 31, 2013</u>			<u>DECEMBER 31, 2012</u>		
	<u>ALLOCATED</u>	<u>UNALLOCATED</u>	<u>TOTAL</u>	<u>ALLOCATED</u>	<u>UNALLOCATED</u>	<u>TOTAL</u>
<u>ASSETS</u>						
Cash	\$ 13,203	\$ -	\$ 13,203	\$ 6,000	\$ -	\$ 6,000
Employer Securities	4,047,818	542,182	4,590,000	3,576,019	743,981	4,320,000
<u>TOTAL ASSETS</u>	<u>4,061,021</u>	<u>542,182</u>	<u>4,603,203</u>	<u>3,582,019</u>	<u>743,981</u>	<u>4,326,000</u>
<u>LIABILITIES</u>						
Accrued Interest	-	35,720	35,720	-	52,079	52,079
Expense	-	-	-	-	-	-
Withholding Payable	-	1,020,579	1,020,579	-	1,487,962	1,487,962
Note Payable	-	-	-	-	-	-
<u>TOTAL</u>	<u>-</u>	<u>1,056,299</u>	<u>1,056,299</u>	<u>-</u>	<u>1,540,041</u>	<u>1,540,041</u>
<u>NET ASSETS (DEFICIT)</u>						
<u>AVAILABLE FOR PLAN</u>						
<u>BENEFITS</u>	<u>\$ 4,061,021</u>	<u>\$ (514,117)</u>	<u>\$ 3,546,904</u>	<u>\$ 3,582,019</u>	<u>\$ (796,060)</u>	<u>\$ 2,785,959</u>

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

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012

	<u>2013</u>		
	<u>ALLOCATED</u>	<u>UNALLOCATED</u>	<u>TOTAL</u>
<u>ADDITIONS TO NET ASSETS</u>			
Employer Contributions	\$ 235,000	\$ 556,661	\$ 791,661
Unrealized Gain	223,501	46,499	270,000
Allocation of 4,869 shares of Common Stock of Big Sandy Furniture, Inc., at Market	<u>248,298</u>	<u>-</u>	<u>248,298</u>
<u>TOTAL ADDITIONS TO NET ASSETS</u>	<u>706,799</u>	<u>603,160</u>	<u>1,309,959</u>
<u>DEDUCTIONS FROM NET ASSETS</u>			
Interest Expense	-	72,919	72,919
Distributions to Participants	227,689	-	227,689
Other Administrative Expense	108	-	108
Allocation of 4869 shares of Common Stock of Big Sandy Furniture, Inc., at Market	<u>-</u>	<u>248,298</u>	<u>248,298</u>
<u>TOTAL DEDUCTIONS FROM NET ASSETS</u>	<u>227,797</u>	<u>321,217</u>	<u>549,014</u>
<u>NET INCREASE</u>	<u>479,002</u>	<u>281,943</u>	<u>760,945</u>
<u>NET ASSETS (DEFICIT)</u>			
<u>AVAILABLE FOR BENEFITS</u>			
Beginning of Year	<u>3,582,019</u>	<u>(796,060)</u>	<u>2,785,959</u>
End of Year	<u>\$ 4,061,021</u>	<u>\$ (514,117)</u>	<u>\$ 3,546,904</u>

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2013 AND 2012
(CONTINUED)

	<u>2012</u>		
	<u>ALLOCATED</u>	<u>UNALLOCATED</u>	<u>TOTAL</u>
<u>ADDITIONS TO NET ASSETS</u>			
Employer Contributions	\$ 305,000	\$ 556,661	\$ 861,661
Unrealized Gain	349,537	100,463	450,000
Allocation of 4,593 shares of Common Stock of Big Sandy Furniture, Inc., at Market	<u>220,464</u>	<u>-</u>	<u>220,464</u>
<u>TOTAL ADDITIONS TO NET ASSETS</u>	<u>875,001</u>	<u>657,124</u>	<u>1,532,125</u>
<u>DEDUCTIONS FROM NET ASSETS</u>			
Interest Expense	-	100,300	100,300
Distributions to Participants	356,651	-	356,651
Other Administrative Expense	123	-	123
Allocation of -0- shares of Common Stock of Big Sandy Furniture, Inc., at Market	<u>-</u>	<u>220,464</u>	<u>220,464</u>
<u>TOTAL DEDUCTIONS FROM NET ASSETS</u>	<u>356,774</u>	<u>320,764</u>	<u>677,538</u>
<u>NET INCREASE</u>	<u>518,227</u>	<u>336,360</u>	<u>854,587</u>
<u>NET ASSETS (DEFICIT)</u>			
<u>AVAILABLE FOR BENEFITS</u>			
Beginning of Year	<u>3,063,792</u>	<u>(1,132,420)</u>	<u>1,931,372</u>
End of Year	<u>\$ 3,582,019</u>	<u>\$ (796,060)</u>	<u>\$ 2,785,959</u>

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

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013

NOTE A - DESCRIPTION OF PLAN

The following description of the Big Sandy Furniture, Inc. ("**Company**") Employee Stock Ownership Plan ("**Plan**") provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

Big Sandy Furniture, Inc. established the Big Sandy Furniture, Inc. Employee Stock Ownership Plan effective as of August 1, 2002. The plan is intended to qualify as an employee stock ownership plan (ESOP), and is designed to comply with Section 4975(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986, as amended (Code), and as a stock bonus plan under Section 401(a) of the Code. The Plan is also intended to comply with the qualification requirements of the Uruguay Round Agreements Act (GATT), the Uniformed Services Employment and Retirement and Reemployment Rights Act of 1994 (USERRA), the Small Business Job Protection Act of 1996 (SBJPA), the Taxpayer Relief Act of 1997 (TRA'97) (collectively "GUST"), the Restructuring & Reform Act of 1998 (RRA'98) and the Community Renewal Tax Relief Act of 2000 (CRA). This Plan reflects certain provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA"), intended as good faith compliance with requirements of EGTRRA. Such EGTRRA provisions, if applicable, shall be construed in accordance with EGTRRA and the guidance issued thereunder, and shall supercede those specific provisions of the Plan to the extent those provisions are inconsistent with the EGTRRA provisions. The Plan is administered by an Employee Benefits Administration Committee appointed by the Company's Board of Directors. The Plan's Trustee is also designated by the Company's Board of Directors.

The financial statements of the Plan for the years ended December 31, 2013 and 2012, respectively present separately the assets and liabilities and changes therein pertaining to:

1. The accounts of employees with vested rights in allocated stock (Allocated) and
2. Stock not yet allocated to employees (Unallocated).

Eligibility

Employees of the Company are generally eligible to participate in the plan after one year of service providing they worked at least 1,000 hours and are age twenty-one or older. All employees who were eligible to participate in the Company's 401(k) Plan as of July 31, 2002, are automatically eligible to participant in this Plan as of the effective date.

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
"CONTINUED"

NOTE A - DESCRIPTION OF PLAN (Continued)

Payment of Benefits

No distributions from the Plan will be made until a participant retires, dies (in which case, payment shall be made to his or her beneficiary or, if none, his or her legal representatives), becomes disabled or otherwise terminates employment with the Company. For accounts exceeding \$5,000 distributions will generally be made in five equal annual installments. For accounts of \$5,000 or less, distributions will generally be made in one lump sum payment.

Voting Rights

Participants and/or Beneficiaries are entitled to exercise voting rights attributable to the shares allocated to his or her account and is notified by the Trustee prior to the time that such rights are to be exercised. The Trustee is not permitted to vote any allocated share for which instructions have not been given by a participant. The Trustee is required, however, to vote any unallocated shares on behalf of the collective best interest of plan participants and beneficiaries.

Plan Termination

The Company reserves the right to terminate the Plan at any time, subject to Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his or her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the plan, the Employee Benefits Administration Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed stock held in the loan suspense account to the extent it determines such sale to be necessary in order to repay the loan.

Participant Accounts

The Plan is defined as a defined contribution plan under which a separate individual account is established for each participant. Each participant's account is credited as of the last day of each plan year with an allocation of shares of the Company's common stock released by the Trustee from the unallocated account and forfeitures of terminated participants' non vested accounts. Only those participants who are eligible employees of the Company as of the last day of the plan year will receive an allocation. Allocations are based on a participant's eligible compensation, relative to total eligible compensation.

Vesting

Participants who, while employed with the Company, die, attain specified retirement dates or become disabled shall be 100% vested. If a participant's employment with the Company ends for any reason other than retirement, permanent disability or death, he or she will vest in the balances in his or her account based on total years of service with the Company. Participants vest 20% after three years of service and are 100% vested after seven or more years.

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
"CONTINUED"

NOTE A - DESCRIPTION OF PLAN (Continued)

Put Option

Under Federal income tax regulations, the employer stock that is held by the Plan and its participants and is not readily tradable on an established market, nor is it subject to trading limitations, includes a put option. The put option is a right to demand that the Company buy any shares of stock distributed to participants for which there is no market. The put price is representative of the fair market value of the stock. The Company can pay for the purchase with interest over a period of five years. The purpose of the put option is to ensure that the participant has the ability to ultimately obtain cash.

Diversification

Diversification is offered to participants within (90) days after the close of each Plan Year so that they may have the opportunity to move part of the value of their investments in Company stock into investments which are more diversified. A participant may diversify up to 25% of the number of post-1986 shares allocated to his or her account, less any shares previously diversified. In the sixth year, the percentage changes to 50%. The participant's direction shall be completed no later than ninety (90) days after the close of the ninety (90) day election period. The Plan Committee shall offer at least three investment options (not inconsistent with regulations prescribed by the Internal Revenue Service) to each participant. In lieu of offering such investment options the participant will receive a cash distribution.

Participant Accounts and Forfeitures

Employer contributions and Plan forfeitures are allocated to an eligible participant's account based upon the proportion of the participants' covered compensation to total covered compensation for the Plan year. Forfeitures shall be charged first against a participant's other investments account, second against Company stock which was not acquired with the proceeds of a Securities Acquisition Loan, and third against Company stock acquired with a Securities Acquisition Loan. If a portion of a participant's account is to be forfeited and interests in more than one class of Employer Securities have been allocated to a participant's account, the participant shall forfeit the same percentage of each class.

If a participant has incurred a five-year break in service and has not received a distribution of his or her vested balance, the nonvested portion of the participant's account shall be allocated as a forfeiture. If a former participant shall be rehired by the Company before incurring a five-year break in service, any forfeiture previously allocated and any undistributed portion of the participant's vested balance shall be maintained separately until such participant becomes fully vested.

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
"CONTINUED"

NOTE A - DESCRIPTION OF PLAN (Continued)

Participant Accounts and Forfeitures (Continued)

If a participant receives distribution of the entire vested portion of his or her balance, such participant shall forfeit the nonvested portion immediately upon receipt of his or her distribution. The nonvested balance of the participant's accounts shall be allocated as a forfeiture as of the Anniversary Date coinciding with or following the date such participant incurred a one-year break in service or received the cash-out distribution, whichever is later.

For the years ended December 31, 2013 and 2012, forfeitures totaling \$58 and \$282, respectively were allocated to participants.

NOTE B - SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared using the accrual method of accounting.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investment Valuation and Income Recognition

The common shares of the Company are valued at estimated fair value. See Note D for discussion of fair value measurements.

Operating Expenses

All expenses of maintaining the Plan are paid by the Company.

Concentrations of Credit Risk Arising From Cash Deposits in Excess of Insured Limits

At December 31, 2013 and 2012, the plan had deposits of \$16,827 and \$13,338, respectively confirmed by financial institutions. Of this amount \$16,827 and \$13,338 was covered by federal depository insurance.

NOTE C - ADMINISTRATION OF PLAN ASSETS

The Plan's assets, which consist principally of Sponsor Company common shares, are held by the Trustee of the Plan. Employer contributions shall be paid to the Trustee. The Trustee shall hold, invest, reinvest, manage, administer and distribute the Trust Assets for the exclusive benefit of participants, retired participants and their beneficiaries. The Trustee also administers the payment of interest and principal on the loan, which is reimbursed to the Trustee through contributions as determined by the Company.

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
"CONTINUED"

NOTE C - ADMINISTRATION OF PLAN ASSETS (Continued)

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee receives compensation from the plan. Administrative expenses for the Trustee's fees are paid directly by the Company.

NOTE D - FAIR VALUE MEASUREMENTS

The Plan's investments are reported at fair value in the accompanying statement of net assets available for benefits. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables represent fair value measurement information for certain financial instruments. The carrying values of receivables, cash and interest payable included in the accompanying statement of net assets available for benefits approximated fair value at December 31, 2013 and 2012, and are thus not included in the following table.

<u>FAIR VALUE MEASUREMENTS AT</u> <u>REPORTING DATE USING</u>		
	<u>FAIR VALUE</u>	<u>SIGNIFICANT</u> <u>UNOBSERVABLE</u> <u>INPUTS</u> <u>(Level 3)</u>
<u>December 31, 2013</u>		
Sponsor company common stock	<u>\$ 4,590,000</u>	<u>\$ 4,590,000</u>
<u>December 31, 2012</u>		
Sponsor company common stock	<u>\$ 4,320,000</u>	<u>\$ 4,320,000</u>

The fair value measurements accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This 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, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, 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. Level 3 inputs were used only when Level 1 or Level 2 inputs were not available.

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
"CONTINUED"

NOTE D - FAIR VALUE MEASUREMENTS (Continued)

Level 3 Fair Value Measurements

The fair value of the sponsor company common stock is determined by an annual independent appraisal. This appraisal was based on a combination of the market and income valuation methods consistent with prior years. The appraiser took into account historical and projected cash flow and net income, return on assets, return on equity, market comparables, and estimated fair value of company assets and liabilities. The following table provides further details of this Level 3 fair value measurement.

Sponsor Company Common Stock

	<u>December 31, 2013</u>	<u>December 31, 2012</u>
Beginning Balance	\$ 4,320,000	\$ 3,870,000
Total gains or losses (realized and unrealized) included in changes in net assets available for benefits	270,000	450,000
Purchases, issuances, settlements, and transfers from unallocated to allocated (net)	<u>-</u>	<u>-</u>
Ending Balance	<u>\$ 4,590,000</u>	<u>\$ 4,320,000</u>
Total gains or losses for the year included in changes in net assets available for benefits attributable to the change in unrealized gains or losses relating to investments still held at the reporting date	<u>\$ 270,000</u>	<u>\$ 450,000</u>

NOTE E - TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated July 23, 2004, that the Plan is qualified and the trust established under the Plan is tax-exempt, under the appropriate sections of the Code. The plan has been amended since receiving the initial determination letter and received another determination letter dated November 30, 2011. Subsequent to receipt of this latest determination letter, the plan has again been amended. However, the plan administrator and the plan's tax counsel believe that the plan continues to operate in compliance with the applicable requirements of the Internal Revenue Code.

The Plan administrator believes the Plan is no longer subject to income tax examinations for years prior to 2010 and 2009.

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
"CONTINUED"

NOTE F - EMPLOYER CONTRIBUTIONS

Employer contributions are discretionary and may be paid in cash, shares of Company Stock or other property as the Company's Board of Directors may from time to time determine. Shares of Company stock and other property will be valued at their then fair market value. Employer contributions for each year must be established by resolution of the Company's Board of Directors and paid to the Trust no later than the due date for filing the Company's federal income tax return for that year, including extensions of such date.

NOTE G - INVESTMENTS

The Plan's investments in Company common shares at December 31, 2013 and 2012 are as follows:

	<u>2013</u>	
	<u>Allocated</u>	<u>Unallocated</u>
Number of Shares	<u>79,369</u>	<u>10,631</u>
Cost	<u>\$ 7,619,422</u>	<u>\$ 1,020,578</u>
Market	<u>\$ 4,047,818</u>	<u>\$ 542,182</u>
	<u>2012</u>	
	<u>Allocated</u>	<u>Unallocated</u>
Number of Shares	<u>74,500</u>	<u>15,500</u>
Cost	<u>\$ 7,152,038</u>	<u>\$ 1,487,962</u>
Market	<u>\$ 3,576,019</u>	<u>\$ 743,981</u>

NOTE H - EXPENSES OF THE PLAN

The Company may pay administrative and trust expenses in whole or in part. All expenses not paid by the Company shall be paid by the Plan. Administrative and trust expenses paid by the Company and not charged to the Plan totaled \$60,320 and \$71,123 for the years ended December 31, 2013 and 2012, respectively.

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
"CONTINUED"

NOTE I - STOCK PURCHASE AGREEMENT/NOTES PAYABLE

On July 31, 2006, the Plan entered into a stock purchase agreement and two notes payable agreements with the shareholders of the Company to purchase 100% of the Company stock outstanding, as follows:

- 1) The trust agreed to acquire from John C. Stewart, Jr. 45,000 shares of common stock of the Company through the following transactions:

Purchase Price	\$ 4,320,000
Down Payment to Seller on July 31, 2006	<u>(1,700,000)</u>
Principal Balance, July 31, 2006	2,620,000
Principal Payments for the year ended July 31, 2007	<u>(486,625)</u>
Principal Balance, July 31, 2007	2,133,375
Principal Payments for the year ended July 31, 2008	<u>(474,129)</u>
Principal Balance, July 31, 2008	1,659,246
Principal Payments for the year ended July 31, 2009	<u>(486,816)</u>
Principal Balance, July 31, 2009	1,172,430
Principal Payments for the year ended July 31, 2010	<u>-0-</u>
Principal Balance, July 31, 2010	1,172,430
Principal Payments for the year ended July 31, 2011	<u>(207,985)</u>
Principal Balance, July 31, 2011	964,445
Principal Payments for the year ended December 31, 2011	<u>-0-</u>
Principal Balance, December 31, 2011	964,445
Principal Payments for the year ended December 31, 2012	<u>(220,464)</u>
Principal Balance, December 31, 2012	743,981
Principal Payments for the year ended December 31, 2013	<u>(233,691)</u>
Principal Balance, December 31, 2013	<u>\$ 510,290</u>

The remaining note payable is due to the seller in two (2) annual installments of \$278,331 including interest at 6% per annum.

By an agreement dated September 8, 2010, John C. Stewart, Jr. has assigned his ESOP promissory note to Robert W. VanHoose, Jr.

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2013
"CONTINUED"

NOTE I - STOCK PURCHASE AGREEMENT/NOTES PAYABLE (Continued)

- 2) The trust agreed to acquire from Robert W. VanHoose, Jr. 45,000 shares of common stock of the Company through the following transactions:

Purchase Price	\$ 4,320,000
Down Payment to Seller on July 31, 2006	<u>(1,700,000)</u>
Principal Balance, July 31, 2006	2,620,000
Principal Payments for the year ended July 31, 2007	<u>(486,625)</u>
Principal Balance, July 31, 2007	2,133,375
Principal Payments for the year ended July 31, 2008	<u>(474,129)</u>
Principal Balance, July 31, 2008	1,659,246
Principal Payments for the year ended July 31, 2009	<u>(486,816)</u>
Principal Balance, July 31, 2009	1,172,430
Principal Payments for the year ended July 31, 2010	<u>0</u>
Principal Balance, July 31, 2010	1,172,430
Principal Payments for the year ended July 31, 2011	<u>(207,985)</u>
Principal Balance, July 31, 2011	964,445
Principal Payments for the year ended December 31, 2011	<u>-0-</u>
Principal Balance, December 31, 2011	964,445
Principal Payments for the year ended December 31, 2012	<u>(220,464)</u>
Principal Balance, December 31, 2012	743,981
Principal Payments for the year ended December 31, 2013	<u>(233,692)</u>
Principal Balance, December 31, 2013	<u><u>\$ 510,289</u></u>

BIG SANDY FURNITURE, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
NOTES TO FINANCIAL STATEMENTS
"CONTINUED"

NOTE I - STOCK PURCHASE AGREEMENT/NOTES PAYABLE (Continued)

The remaining note payable is due to the seller in two (2) annual installments of \$278,331 including interest at 6% per annum.

Maturities of debt are as follows:

For years ending: December 31, 2014	\$ 495,426
December 31, 2015	<u>525,153</u>
<u>TOTAL</u>	<u>\$ 1,020,579</u>

NOTE J - RECLASSIFICATIONS

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation.

NOTE K - SUBSEQUENT EVENTS

Subsequent to December 31, 2013 and effective May 29, 2014, the Plan has been amended to change so that compensation shall include differential wage payments as defined by Code section 3401(H)(2) in the case of an individual who does not currently perform services for the Company by reason of qualified military service to the extent those payments do not exceed the amounts the individual would have received if the individual has continued to perform services for the Company rather than entering qualified military service. Also, the Plan was amended to provide that if a participant dies before, on or after January 2007 while performing qualified military service, the survivors of the Participant are entitled to any additional benefits (other than benefit accruals to the period of qualified military service) provided under the Plan as if the Participant has resumed and then terminated employment on account of death.

Subsequent events were evaluated through October 15, 2014, which is the date the financial statements were available to be issued.

Attachment to 2013 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Big Sandy Furniture, Inc. Employee Stock Ownership Plan **EIN:** 61-0523463
Plan Sponsor's Name Big Sandy Furniture, Inc. **PN:** 003

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
*	Big Sandy Furniture	90,000 shares Common Stock	8,640,000	4,590,000
	City National Bank	Cash	13,204	13,204