

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 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2015</div> This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>			
A	This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); 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>SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(K) PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>003</u>
		1c	Effective date of plan <u>10/01/1997</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>SHEELY'S FURNITURE & APPLIANCE CO., INC.</u> <u>11450 SOUTH AVENUE</u> <u>NORTH LIMA, OH 44452</u>	2b	Employer Identification Number (EIN) <u>34-0900451</u>
		2c	Plan Sponsor's telephone number <u>330-549-3901</u>
		2d	Business code (see instructions) <u>442110</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.	09/28/2016	LINDA EISENBRAUN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN
	3c Administrator's telephone number
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	5 131
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 117
a(2) Total number of active participants at the end of the plan year	6a(2) 119
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits.....	6c 12
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 131
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 0
f Total. Add lines 6d and 6e	6f 131
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g 97
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2E 2F 2G 2J 2K 2T 3B 3D	
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)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015		
<div>A</div> Name of plan SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(K) PLAN	<div>B</div> Three-digit plan number (PN) ▶	003
<div>C</div> Plan sponsor's name as shown on line 2a of Form 5500 SHEELY'S FURNITURE & APPLIANCE CO., INC.	<div>D</div> Employer Identification Number (EIN) 34-0900451	

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

<div>(b)</div> Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
CAPITAL RESEARCH & MANAGEMENT CO.
95-1411037

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

CAPITAL RESEARCH & MANAGEMENT CO.

95-1411037

(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?
64 52 60 62 25 49 72	RECORDKEEPER	500	Yes ☒ No ☐	Yes ☒ No ☐	0	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 ☐

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

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

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ 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

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) <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.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>01/01/2015</u> and ending <u>12/31/2015</u>		
A Name of plan <u>SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(K) 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>SHEELY'S FURNITURE & APPLIANCE CO., INC.</u>		D Employer Identification Number (EIN) <u>34-0900451</u>

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
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	Total noninterest-bearing cash	1a	0	0
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	0	0
	(2) Participant contributions	1b(2)	0	0
	(3) Other	1b(3)	0	0
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	63665	225965
	(2) U.S. Government securities	1c(2)	0	0
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)	0	0
	(B) All other	1c(3)(B)	0	0
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)	0	0
	(B) Common	1c(4)(B)	0	0
	(5) Partnership/joint venture interests	1c(5)	0	0
	(6) Real estate (other than employer real property)	1c(6)	0	0
	(7) Loans (other than to participants)	1c(7)	0	0
	(8) Participant loans	1c(8)	0	0
	(9) Value of interest in common/collective trusts	1c(9)	0	0
	(10) Value of interest in pooled separate accounts	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)	0	0
	(12) Value of interest in 103-12 investment entities	1c(12)	0	0
	(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	5556582	5420605
	(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
	(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	5620247	5646570

Liabilities

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

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	5620247	5646570
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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) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	157895	
(B) Participants	2a(1)(B)	193393	
(C) Others (including rollovers)	2a(1)(C)	0	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		351288
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	0	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	0	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		0
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	341241	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		341241
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-318954
c Other income	2c		7437
d Total income. Add all income amounts in column (b) and enter total	2d		381012

Expenses**e** Benefit payment and payments to provide benefits:

(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	354189	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		354189
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		0
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	500	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	0	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		500
j Total expenses. Add all expense amounts in column (b) and enter total	2j		354689

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		26323
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: LOUIS PLUNG & COMPANY, LLP

(2) EIN: 25-1637458

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:

	Yes	No	N/A	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.)		☒		
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	N/A	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			500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X		
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

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

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

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 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

A Name of plan <u>SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(K) 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>SHEELY'S FURNITURE & APPLIANCE CO., INC.</u>	D Employer Identification Number (EIN) <u>34-0900451</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>20-3691658</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)
----------------	--

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
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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): _____

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

**SHEELY'S FURNITURE & APPLIANCE CO., INC.
401(k) PLAN**

**FINANCIAL STATEMENTS,
SUPPLEMENTAL SCHEDULE AND
INDEPENDENT AUDITORS' REPORT
December 31, 2015 and 2014**

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

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INDEPENDENT AUDITORS' REPORT

To the Plan Administrator of
Sheely's Furniture & Appliance Co., Inc. 401(k) Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Sheely's Furniture & Appliance Co., Inc. 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

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 3, which was certified by Capital Bank and Trust Company, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. 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, 2015 and 2014, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

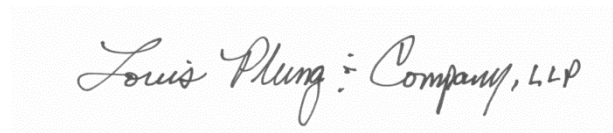
Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental schedule of assets (held at end of year), as of December 31, 2015, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are 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.

A handwritten signature in cursive script that reads "Louis Plung : Company, LLP". The signature is written in dark ink on a light-colored, slightly textured background.

Pittsburgh, Pennsylvania
September 26, 2016

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2015 and 2014

ASSETS

	<u>2015</u>	<u>2014</u>
Investments at fair value	\$ <u>5,646,570</u>	\$ <u>5,620,247</u>
Receivables:		
Participant contributions	4,415	2,027
Employer contributions	<u>2,605</u>	<u>1,122</u>
Total receivables	<u>7,020</u>	<u>3,149</u>
NET ASSETS AVAILABLE FOR BENEFITS	\$ <u><u>5,653,590</u></u>	\$ <u><u>5,623,396</u></u>

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

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Interest and dividends	\$ 341,241	\$ 384,274
Net appreciation (depreciation) in fair value of investments and realized gains and losses	(318,954)	(72,215)
Contributions:		
Participant	195,781	171,893
Employer	159,378	143,270
Other income	7,437	5,175
Total additions	<u>384,883</u>	<u>632,397</u>
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid to participants	354,189	150,478
Administrative fees	500	450
Total deductions	<u>354,689</u>	<u>150,928</u>
Net increase	30,194	481,469
NET ASSETS AVAILABLE FOR BENEFITS - Beginning of year	<u>5,623,396</u>	<u>5,141,927</u>
NET ASSETS AVAILABLE FOR BENEFITS - END OF YEAR	<u>\$ 5,653,590</u>	<u>\$ 5,623,396</u>

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

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

1. DESCRIPTION OF PLAN

The following description of Sheely's Furniture & Appliance Co., Inc. 401(k) Plan (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General - The Plan is a contributory defined contribution plan covering all non-union employees of Sheely's Furniture & Appliance Co., Inc. ("the Company") who have one year of service consisting of at least 1,000 service hours and are age 18 or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan is an American Funds Distributors, Inc. Defined Contribution Prototype Plan and Trust.

Effective January 1, 2016, the Plan was amended and restated in its entirety to incorporate certain amendments, revise certain administrative procedures and make the amendments necessary to maintain the Plan's qualified status under the Internal Revenue Code of 1986, as amended, and regulations there under as discussed in Note 6 to these financial statements.

Contributions - Participants may contribute up to the lesser of the annual limitation (\$18,000 and \$17,500 for 2015 and 2014, respectively), or 100% of their pretax compensation, as defined in the Plan document. The Company provides a safe harbor matching contribution whereby the Company matches the participants' contributions equal to the sum of 100% of the amount of their salary reductions that are not in excess of 3% of their compensation, plus 50% of the amount of their salary reductions that exceed 3% of their compensation but not in excess of 5% of their compensation. The Company may elect to make additional matching contributions. During 2015 and 2014, the Company exceeded the safe harbor requirements by matching the participant's contributions equal to the sum of 100% up to the first 5% of the elected contribution percentage.

The Plan provides for additional elective deferrals for eligible participants subject to certain limitations. Eligible participants are those participants who will attain at least age 50 before the close of the Plan year who would otherwise be eligible to make elective deferrals under the Plan. The maximum additional elective deferral for 2015 and 2014 is limited to \$6,000 and \$5,500, respectively.

Participant Accounts - Each participant's account is credited with the participant's contribution and an allocation of (a) the Company's contribution and (b) Plan earnings and losses thereon. Allocations are based on participant earnings or account balances, as defined in the Plan document.

Investment Options - Participants may invest their voluntary contributions and the Company's contributions, plus actual earnings thereon into any of the 29 investment options provided by Capital Bank and Trust Company (the "Trustee") as listed in Note 3 to the financial statements. The participants may change their investment election for new contributions and existing balances daily.

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

Participant Loans - Loans are not permitted under the Plan.

Vesting - Participants are immediately 100% vested in their voluntary contributions, rollover contributions, and Company contributions plus actual earnings thereon.

Forfeitures - No forfeitures are present in the Plan since all contributions are immediately 100% vested.

Payment of Benefits – A participant who has attained age 59 ½, has incurred a hardship (as defined in the Plan document), or has become disabled may receive a distribution from the Plan. The Plan may also make a distribution upon termination of service or death. Upon termination of service or death, if the participant's account balance is \$1,000 or less, a participant will automatically receive a lump-sum payment, less applicable withholding taxes. If the participant's account balance exceeds \$1,000 but is less than \$5,000, the participant must consent to an automatic distribution. If the participant does not elect to have such distribution paid, then the participant's account shall be distributed in a direct rollover to an Individual Retirement Account (IRA) designated by the plan administrator. If the participant's account balance is greater than \$5,000, the participant may elect to either (a) receive an immediate lump-sum amount equal to the value of his/her account or (b) leave the account balance in the Plan until such time as the participant decides to withdraw the account balance.

Plan Administration Expenses – Expenses incurred by the plan administrator and Trustee for their services and costs in administering the Plan are paid by the Company, except for certain transaction fees which are paid by the participants.

Reclassification - Certain 2014 financial statements' line items have been reclassified to conform to the 2015 presentation.

2. SUMMARY OF ACCOUNTING POLICIES

Basis of Accounting - The accounts of the Plan are maintained on the accrual basis of accounting.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the reported amounts of net assets available for benefits and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of additions and deductions in net assets available for benefits during the reporting period. Actual results could differ from those estimates.

Investments - Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

Net Depreciation in Fair Value of Investments - The Plan presents, in the statements of changes in net assets available for benefits, the net depreciation in the fair value of its investments, which consist of the realized gains and losses from sales of investments and unrealized depreciation on investments. The net change in unrealized depreciation in the fair value of investments is determined by the change in fair value from the beginning of the year if held for the entire year or from date of purchase to the end of the year.

Income Recognition - Interest income is recorded as earned on the accrual basis. Dividend income is recorded on the ex-dividend date.

New Accounting Pronouncements - During 2015 and 2014, various new Accounting Standards Updates (ASUs) were issued by the Financial Accounting Standards Board (FASB). The plan administrator of the Plan has determined, based on their review, that the following new accounting pronouncement that were issued are applicable to the Plan. As new accounting pronouncements are released, management will assess if they are applicable and if they are applicable, their effect will be included in the notes to the financial statements.

In May 2015, the FASB issued ASU 2015-07, "Fair Value Measurement – Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share", which removed the requirement to categorize within the fair value hierarchy all investments measured at fair value using the net asset value per share. It also removes the requirement to make certain disclosures for all investments that are measured at fair value using the net asset value per share. ASU 2015-07 is effective for public entities for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. For all other entities, ASU 2015-07 is effective for fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. Early application is permitted and the ASU should be applied retrospectively to all periods presented. Management has early adopted and retrospectively applied this guidance to the current and prior period financial statements and notes thereto.

In July 2015, the FASB issued ASU 2015-12, "Plan Accounting: Defined Benefit Pension Plans, Defined Contribution Pension Plans, and Health and Welfare Benefit Plans", which implemented the following changes:

1. Fully benefit-responsive investment contracts should be measured, presented, and disclosed at contract value, instead of fair value. This change should be applied retrospectively.
2. The requirement to disclose (a) individual investments that represent 5% or more of net assets available for benefits, (b) the net appreciation or depreciation for investments by general type, and (c) investment information disaggregated based on nature, characteristics, and risks has been eliminated. These changes should be applied retrospectively.
3. Plans that have a fiscal year-end that does not coincide with a month-end are permitted to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end when the fiscal period

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

does not coincide with a month-end. Plans that apply the practical expedient should disclose the accounting policy election, the alternative measurement date and the amount of any contribution, distribution, and/or significant event that occurs between the alternative measurement date and the plan's fiscal year-end. This change should be applied prospectively.

The ASU is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted. Only the nature and reason for the change in accounting principle is required to be disclosed in the annual period of adoption. Management has early adopted and retrospectively applied this guidance to the financial statements and notes thereto.

3. INVESTMENTS (UNAUDITED)

At December 31, 2015 and 2014, the Plan's investments and executed transactions therein were held by the Trustee. The following is a summary of the Plan's investments that are included in the financial statements and supplemental schedule based on information certified by the Trustee as complete and accurate in accordance with Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

At December 31, 2015 and 2014, the Plan's investments consisted of the following:

	<u>2015</u>	<u>2014</u>
Mutual Funds (unaudited):		
American Funds 2010 Target Date Fund	\$ 22,270	\$ 46,066
American Funds 2020 Target Date Fund	91,990	86,093
American Funds 2025 Target Date Fund	19,825	6,780
American Funds 2030 Target Date Fund	3,021	569
American Funds 2035 Target Date Fund	3,240	1,049
American Funds 2040 Target Date Fund	25,120	18,745
American Funds 2045 Target Date Fund	21,624	14,193
American Funds 2050 Target Date Fund	8,758	2,646
American Funds 2055 Target Date Fund	11,647	3,530
American Funds 2060 Target Date Fund	1,285	-
American Funds AMCAP Fund	38,491	34,975
American Funds Bond Fund of America	30,014	14,835
American Funds Capital Income Builder Fund	634,193	700,473
American Funds Capital World Bond Fund	21,889	22,083
American Funds Capital World Growth & Income Fund	<u>41,425</u>	<u>38,669</u>
Subtotal	<u>\$ 974,792</u>	<u>\$ 990,706</u>

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN**NOTES TO FINANCIAL STATEMENTS**

	<u>2015</u>	<u>2014</u>
Subtotal from page 8	\$ 974,792	\$ 990,706
American Funds Fundamental Investors Fund	59,351	38,906
American Funds Growth Fund	1,164,231	1,122,683
American Funds New Perspective Fund	335,073	370,577
American Funds New World Fund	12,042	11,462
American Funds U.S. Government Securities Fund	405,010	390,645
Davis New York Venture Fund	233,388	226,911
Franklin Income Fund	69,364	70,146
Franklin Small Cap Growth Fund	530,681	572,531
Hartford MidCap Fund	431,355	549,710
Hartford Small Cap Growth Fund	3,278	210
Lord Abbett Fundamental Equity Fund	319,809	332,172
PIMCO High Yield Fund	210,310	210,756
PIMCO Total Return Fund	<u>671,921</u>	<u>669,167</u>
Total Mutual Funds	<u>5,420,605</u>	<u>5,556,582</u>
Money Market Fund (unaudited):		
American Funds Money Market Fund	<u>225,965</u>	<u>63,665</u>
	<u>\$ 5,646,570</u>	<u>\$ 5,620,247</u>

The Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by \$318,954 and \$72,215 during the years ended December 31, 2015 and 2014, respectively.

The Plan's independent auditors did not perform auditing procedures with respect to information certified by the Trustee at December 31, 2015 and 2014, except for comparing such information to the related information included in the financial statements and supplemental schedule.

4. FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) Topic 820, Fair Value Measurements and Disclosures establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC Topic 820 are described below:

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

The Plan's mutual funds and money market fund are valued using quoted market prices. The Plan's investments at fair value that are classified as Level 1, within the fair value hierarchy, are as follows as of December 31, 2015 and 2014.

<u>December 31, 2015</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments Measured at Fair Value				
Mutual Funds	\$ 5,420,605	\$ -	\$ -	\$ 5,420,605
Money Market Funds	225,965	-	-	225,965
Total	<u>\$ 5,646,570</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,646,570</u>
<u>December 31, 2014</u>				
Investments Measured at Fair Value				
Mutual Funds	\$ 5,556,882	\$ -	\$ -	\$ 5,556,882
Money Market Funds	63,665	-	-	63,665
Total	<u>\$ 5,620,547</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,620,547</u>

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

5. RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, 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.

6. TAX STATUS

Although the Plan has not requested a determination letter from the Internal Revenue Service ("IRS") as to the Plan's tax-exempt status, the restated prototype plan from which the Plan was drafted has received a favorable determination letter from the IRS dated March 31, 2008. The Plan has been amended since receiving its determination letter. The plan administrator believes that the Plan, as amended, is designed to operate in accordance with all applicable provisions of the Internal Revenue Code ("IRC"). Therefore, the plan administrator believes that the Plan is qualified and that the related trust is exempt from taxation under the IRC. The Prototype Plan received a new letter from the IRS dated March 31, 2014 indicating that the restated Plan, effective January 1, 2016 is designed in accordance with applicable sections of the IRC.

Accounting principles generally accepted in the United States of America require the plan administrator to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the has taken an uncertain tax position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator believes as of December 31, 2015, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are managed by the Trustee as defined by the Plan document. Transactions with the Trustee qualify as party-in-interest transactions. Direct fees paid by the Plan for benefits paid to participants were \$500 and \$450 for the years ended December 31, 2015 and 2014, respectively.

8. PLAN TERMINATION

Although it has not expressed any intent to do so, the Plan sponsor has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event the Plan is terminated, assets will be allocated to each participant based on his/her respective account balance after payment of all final liquidation or termination expenses, pursuant to the directions of the plan administrator.

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

9. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements as of December 31, 2015 and 2014 to Form 5500:

	<u>2015</u>	<u>2014</u>
Net assets available for benefits per the financial statements	\$ 5,653,590	\$ 5,623,396
Less: Participant contributions receivable at December 31, 2015 and 2014	(4,415)	(2,027)
Less: Employer contributions receivable at December 31, 2015 and 2014	<u>(2,605)</u>	<u>(1,122)</u>
Net assets available for benefits per Form 5500	<u>\$ 5,646,570</u>	<u>\$ 5,620,247</u>

The following is a reconciliation of participant and employer contributions receivable per the statements of net assets available for benefits as of December 31, 2015 and 2014 to Form 5500:

	<u>2015</u>	<u>2014</u>
Participant contributions receivable per the financial statements	\$ 4,415	\$ 2,027
Less: Participant contributions receivable at December 31, 2015 and 2014	<u>(4,415)</u>	<u>(2,027)</u>
Participant contributions receivable per Form 5500	<u>\$ -</u>	<u>\$ -</u>

	<u>2015</u>	<u>2014</u>
Employer contributions receivable per the financial statements	\$ 2,605	\$ 1,122
Less: Employer contributions receivable at December 31, 2015 and 2014	<u>(2,605)</u>	<u>(1,122)</u>
Employer contributions receivable per Form 5500	<u>\$ -</u>	<u>\$ -</u>

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

NOTES TO FINANCIAL STATEMENTS

The following is a reconciliation of participant and employer contributions per the statements of changes in net assets available for benefits for the years ended December 31, 2015 and 2014 to Form 5500:

	<u>2015</u>	<u>2014</u>
Participant contributions per the financial statements	\$ 195,781	\$ 171,893
Less: Participant contributions receivable at December 31, 2015 and 2014	(4,415)	(2,027)
Add: Participant contributions receivable at December 31, 2014 and 2013	<u>2,027</u>	<u>2,099</u>
Participant contributions per Form 5500	<u>\$ 193,393</u>	<u>\$ 171,965</u>
	<u>2015</u>	<u>2014</u>
Employer contributions per the financial statements	\$ 159,378	\$ 143,270
Less: Employer contributions receivable at December 31, 2015 and 2014	(2,605)	(1,122)
Add: Employer contributions receivable at December 31, 2014 and 2013	<u>1,122</u>	<u>1,114</u>
Employer contributions per Form 5500	<u>\$ 157,895</u>	<u>\$ 143,262</u>

10. SUBSEQUENT EVENTS

The plan administrator has evaluated subsequent events in accordance with ASC Topic 855, Subsequent Events, through September 26, 2016, which is the date the financial statements were available to be issued. During its evaluation, the following subsequent event item was identified.

Effective January 1, 2016, the Plan was amended and restated in its entirety to incorporate certain amendments, revise certain administrative procedures and make the amendments necessary to maintain the Plan's qualified status under the Internal Revenue Code of 1986, as amended, and regulations there under as discussed in Note 6 to these financial statements.

SUPPLEMENTAL SCHEDULE

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

PLAN NO. 003
EIN 34-0900451

SCHEDULE H Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
Plan Year Ended December 31, 2015

<u>a</u>	<u>b</u>	<u>c</u>	<u>d</u>	<u>e</u>
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment including Maturity Date, Rate of Interest, Collateral, Par of Maturity Value	Cost	Current Value
*	Capital Bank and Trust Company	American Funds 2010 Target Date Fund	**	\$ 22,270
*	Capital Bank and Trust Company	American Funds 2020 Target Date Fund	**	91,990
*	Capital Bank and Trust Company	American Funds 2025 Target Date Fund	**	19,825
*	Capital Bank and Trust Company	American Funds 2030 Target Date Fund	**	3,021
*	Capital Bank and Trust Company	American Funds 2035 Target Date Fund	**	3,240
*	Capital Bank and Trust Company	American Funds 2040 Target Date Fund	**	25,120
*	Capital Bank and Trust Company	American Funds 2045 Target Date Fund	**	21,624
*	Capital Bank and Trust Company	American Funds 2050 Target Date Fund	**	8,758
*	Capital Bank and Trust Company	American Funds 2055 Target Date Fund	**	11,647
*	Capital Bank and Trust Company	American Funds 2060 Target Date Fund	**	1,285
*	Capital Bank and Trust Company	American Funds AMCAP Fund	**	38,491
*	Capital Bank and Trust Company	American Funds Bond Fund of America	**	30,014
*	Capital Bank and Trust Company	American Funds Capital Income Builder Fund	**	634,193
*	Capital Bank and Trust Company	American Funds Capital World Bond Fund	**	21,889
*	Capital Bank and Trust Company	American Funds Capital World Growth & Income Fund	**	41,425
*	Capital Bank and Trust Company	American Funds Fundamental Investors Fund	**	59,351
		Subtotal		<u>\$ 1,034,143</u>

SHEELY'S FURNITURE & APPLIANCE CO., INC. 401(k) PLAN

PLAN NO. 003
EIN 34-0900451

SCHEDULE H Line 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (CONTINUED)
Plan Year Ended December 31, 2015

<u>a</u>	<u>b</u>	<u>c</u>	<u>d</u>	<u>e</u>
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment including Maturity Date, Rate of Interest, Collateral, Par of Maturity Value	Cost	Current Value
		Subtotal from page 14		\$ 1,034,143
*	Capital Bank and Trust Company	American Funds Growth Fund	**	1,164,231
*	Capital Bank and Trust Company	American Funds New Perspective Fund	**	335,073
*	Capital Bank and Trust Company	American Funds New World Fund	**	12,042
*	Capital Bank and Trust Company	American Funds U.S. Government Securities Fund	**	405,010
*	Capital Bank and Trust Company	Davis New York Venture Fund	**	233,388
*	Capital Bank and Trust Company	Franklin Income Fund	**	69,364
*	Capital Bank and Trust Company	Franklin Small Cap Growth Fund	**	530,681
*	Capital Bank and Trust Company	Hartford MidCap Fund	**	431,355
*	Capital Bank and Trust Company	Hartford Small Cap Growth Fund	**	3,278
*	Capital Bank and Trust Company	Lord Abbett Fundamental Equity Fund	**	319,809
*	Capital Bank and Trust Company	PIMCO High Yield Fund	**	210,310
*	Capital Bank and Trust Company	PIMCO Total Return Fund	**	<u>671,921</u>
		Total Mutual Funds		5,420,605
*	Capital Bank and Trust Company	American Funds Money Market Fund	**	<u>225,965</u>
				<u><u>\$ 5,646,570</u></u>

* Party-in-interest

** Costs omitted for participant directed investment

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

Sheely's Furniture & Appliance Co., Inc. 401(k) Plan
01-JAN-15 to 31-DEC-15

29-JAN-16 10:16:25

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE
IRAF CX			35,841.36	38,491.41
IRGACX			984,299.42	1,164,230.99
IRNPCX			294,503.77	335,073.08
IRNWCX			13,411.67	12,041.64
INYYRX			269,153.26	233,387.85
IFSSRX			412,112.12	530,681.10
IHFMRX			405,737.61	431,355.22
IHSLRX			3,795.49	3,277.88
ILAVRX			367,753.11	319,809.07
IRWICX			37,535.76	41,425.18
IRFNCX			55,811.34	59,350.62
IRIRCX			595,049.10	634,192.85
IFISRX			75,866.00	69,363.85
IRBFCX			30,278.11	30,014.10
IRCWCX			24,042.79	21,888.51
IRGVCX			407,158.12	405,010.44
IPHYRX			238,633.74	210,309.64
IPTRRX			723,890.54	671,920.65
IRACXX			225,965.25	225,965.25
IRCATX			23,463.38	22,270.36
IRCCTX			90,257.64	91,989.67
IRCDTX			21,137.55	19,824.76
IRCETX			3,227.47	3,021.41
IRCFTX			3,467.00	3,240.46
IRCKTX			23,967.15	25,119.88
IRCHTX			21,398.32	21,624.38
IRCITX			8,797.92	8,758.45
IRCMTX			12,232.36	11,647.04
IRCNTX			1,316.04	1,284.52
			5,410,103.39	5,646,570.26

SCHEDULE OF ASSETS (HELD AT END OF YEAR)

Sheely's Furniture & Appliance Co., Inc. 401(k) Plan
01-JAN-15 to 31-DEC-15

29-JAN-16 10:16:25

INVESTMENT OPTION	MATURITY DATE	INTEREST RATE	COST OF ASSETS	CURRENT VALUE
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LEGEND

INVESTMENT OPTION:

1RAFCX American Funds AMCAP Fund R3
 1RNPCX American Funds New Perspective R3
 1NYVRX Davis NY Venture R
 1HFMRX Hartford Midcap R3
 1LAVRX Lord Abbett Fundamental Equity R3
 1RFNCX American Funds Fundamental Invs R3
 1FISRX Franklin Income R
 1RCWCX American Funds Capital World Bond Fd R3
 1PHYRX PIMCO High Yield R
 1RACXX American Funds Money Market Fund R3
 1RCCTX American Funds 2020 Target Date Fund R3
 1RCETX American Funds 2030 Target Date Fund R3
 1RCKTX American Funds 2040 Target Date Fund R3
 1RCITX American Funds 2050 Target Date Fund R3
 1RCNTX American Funds 2060 Target Date Fund R3

1RGACX American Funds Growth Fund of Amer R3
 1RNWCX American Funds New World Fund R3
 1FSSRX Franklin Small Cap Growth R
 1HSLRX Hartford SmallCap Growth R3
 1RWICX American Funds Capital World G/I R3
 1RIRCX American Funds Capital Income Builder R3
 1RBFCX American Funds Bond Fund of Amer R3
 1RGVCX American Funds US Government Sec R3
 1PTRRX PIMCO Total Return Fund - R
 1RCATX American Funds 2010 Target Date Fund R3
 1RCDTX American Funds 2025 Target Date Fund R3
 1RCFTX American Funds 2035 Target Date Fund R3
 1RCHTX American Funds 2045 Target Date Fund R3
 1RCMTX American Funds 2055 Target Date Fund R3

COST OF ASSETS: The original cost of the assets in each investment option as of the last day of the plan year

CURRENT VALUE: The value of all assets in each investment option as of the last day of the plan year