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 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

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

OMB Nos. 1210-0110
1210-0089

2016

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

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.)
- ☒ 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
STAR FURNITURE 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/2001

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)
STAR FURNITURE COMPANY

16666 BARKER SPRINGS RD
HOUSTON, TX 77084

2b Employer Identification Number (EIN) 74-0920070

2c Plan Sponsor's telephone number 281-492-5450

2d Business code (see instructions) 442110

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2017	GARY F GIBSON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/10/2017	GARY F GIBSON
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

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 [X] 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:	**4b**	EIN
a	Sponsor's name	**4c**	PN

5	Total number of participants at the beginning of the plan year	**5**	849
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)**	821
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	846
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	41
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	887
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	2
f	Total. Add lines **6d** and **6e**.	**6f**	889
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	339
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 3D 3F

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)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

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

a Pension Schedules

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

b General Schedules

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

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

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 2016 Form M-1 annual report. If the plan was not required to file the 2016 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_____

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2016** **This Form is Open to Public Inspection.**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
STAR FURNITURE 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
74-0920070

Part I Service Provider Information (see instructions)

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

1 Information on Persons Receiving Only Eligible Indirect Compensation

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

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

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

AMERICAN FUNDS

95-1411037

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

T. ROWE PRICE

52-2264646

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

INVESCO

58-2287224

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

GOLDMAN SACHS

13-5108880

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

JP MORGAN

13-2624428

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

MFS

04-2747644

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

OAKMARK

04-3276558

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

PIMCO FUNDS

95-2632339

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

RIDGEWORTH

58-1604573

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

METROPOLITAN WEST FUNDS

95-4597302

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

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

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

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

WELLS FARGO BANK, N.A.

94-1347393

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 37 49 50 60 62 63 64	SERVICE PROVIDER	15717	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

CRYSTAL & COMPANY

13-5552477

(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?
22 50	SERVICE PROVIDER	8973	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

HOWARD & CO., LLP

20-2257536

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	ACCOUNTANT	8375	Yes [ ] No [X]	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

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

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

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

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

(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 D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
STAR FURNITURE 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
74-0920070

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET TODAY CIT F			
b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY			
c EIN-PN 27-6745185-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	33088
a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2010 CIT F			
b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY			
c EIN-PN 27-6745191-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	76219
a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2020 CIT F			
b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY			
c EIN-PN 27-6745217-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	757565
a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2030 CIT F			
b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY			
c EIN-PN 27-6745249-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	813926
a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2040 CIT F			
b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY			
c EIN-PN 27-6745274-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	247245
a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2050 CIT F			
b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY			
c EIN-PN 27-6745297-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	139109
a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO TARGET 2060 CIT F			
b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY			
c EIN-PN 47-6668828-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	11244

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO STABLE RETURN FUND F

b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY

c EIN-PN 46-6933767-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1535003

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO/BLACKROCK RUSSELL 2000

b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY

c EIN-PN 52-2265233-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 125

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO/BLACKROCK S&P MIDCAP IN

b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY

c EIN-PN 52-2265235-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 63

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO/BLACKROCK S&P 500 INDEX

b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY

c EIN-PN 94-3224211-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2762528

a Name of MTIA, CCT, PSA, or 103-12 IE: WELLS FARGO/MFS VALUE CIT F

b Name of sponsor of entity listed in (a): STAR FURNITURE COMPANY

c EIN-PN 45-6648640-001	**d** Entity code C	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 345579

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

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

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

OMB No. 1210-0110

2016

This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
STAR FURNITURE 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
74-0920070

Part I Asset and Liability Statement

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

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		4050
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)	511762	606438
(9) Value of interest in common/collective trusts	1c(9)		6721694
(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)	17029707	11571758
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	17541469	18903940
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	17541469	18903940

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)	210309	
	(B) Participants	2a(1)(B)	1221485	
	(C) Others (including rollovers)	2a(1)(C)	94735	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1526529
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)	22622	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		22622
	(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)	133052	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		133052
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		83048
(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)		1102692
c Other income	2c		-110
d Total income. Add all **income** amounts in column (b) and enter total	2d		2867833
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1383924	
(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)		1383924
f Corrective distributions (see instructions)	2f		47112
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	74326	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		74326
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1505362
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		1362471
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

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

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

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

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

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

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

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

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

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 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	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			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.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		5000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3	4n			
o	Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

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 sections 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

2016

This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan
STAR FURNITURE 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

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

D Employer Identification Number (EIN)
74-0920070

Part I Distributions

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

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

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

EIN(s): 41-6257133

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

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

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

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

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

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

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

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

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**

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

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

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

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

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

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

Part VII IRS Compliance Questions

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No

22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter _____/_____/_____ and the serial number _____.

22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter _____/_____/_____.

October 9, 2017

Mr. Gary Gibson
Star Furniture Company 401(k) Plan
Houston, Texas

We are pleased to present the results of our audit of the 2016 financial statements of the Star Furniture Company 401(k) Plan (the "Plan").

This report is addressed to those charged with governance of the Plan, including responsibility for overseeing the strategic direction of the Plan and obligations related to the fiduciary responsibilities, which include overseeing the financial reporting process, the scope of our engagement, the report issued, and observations related to the Plan's financial information. The document also contains the communications required by our professional standards as well as current accounting developments and issues that could or will affect the Plan.

The audit was designed to disclaim an opinion, as allowed by 29 CFR 2520.103-8, on the 2016 financial statements. We considered the Plan's current needs, along with an assessment of risks that could materially affect the financial statements and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you expect and we received the full support and assistance of your personnel.

This report is intended solely for the information and use of those charged with governance and the Plan Sponsor's management, and is not intended to be and should not be used by anyone other than these specified parties.

We welcome the opportunity to meet with you to discuss in more detail, if necessary.

Very truly yours,

HOWARD, LLP

2016 Audit Results

Summary of What We Agreed to Do

Our planning process represented an approach responsive to the assessment of risk for the Plan. Specifically, we designed our audit in accordance with Department of Labor requirements.

Areas of Audit Emphasis

The principal areas of audit emphasis were as follows:

- Consideration of management's system of internal control, including those located at Wells Fargo, over financial reporting in order to determine our auditing procedures
- Participant elective deferrals and Sponsor's matching amounts
- Distributions
- Usage of forfeited employer contributions
- Valuation of investments along with certification of values by the Plan Custodian
- Compliance required under ERISA and the Department of Labor, including completion of the 5500
- Performance of discrimination testing and distribution of excess contributions
- Assist management with the drafting of the annual financial statements, including footnotes

Required Communications

Our professional standards require the auditor to provide those charged with governance with additional information regarding the scope and results of the audit that may assist in the oversight of the Plan's financial reporting and disclosure process.

Area	Comments
Auditors Responsibilities Under Generally Accepted Auditing Standards (GAAS) The financial statements are the responsibility of the Plan's Trustees and the Plan Sponsor's management. Our responsibilities are to perform the audit in accordance with auditing standards generally accepted in the United States, to form and express an opinion about whether the financial statements that have been prepared by management with the oversight of those charged with governance are presented fairly, in all material respects, in conformity with generally accepted accounting principles, and to communicate significant matters related to the financial statement audit that are, in our professional judgment, relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. An audit conducted in accordance with generally accepted auditing standards is designed to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. The audit does not relieve management or those charged with governance of their responsibilities. We were not engaged to perform an audit of internal control. Rather our audit considered internal control over financial reporting as a basis for designing our audit procedures that were appropriate under the circumstances. We have not expressed an opinion on the Plan's system of internal accounting control.	Our audit report indicates that we did not perform procedures in connection with certain investment information. Accordingly, we are not permitted to express an opinion on the information as a whole in accordance with 29 CFR 2520.103-8; however, the other information is examined in accordance with auditing standards generally accepted in the United States and that the Plan's financial statements are presented in compliance with the appropriate regulations. With regard to a limited scope audit, this is the highest level of comfort that we, as auditors, can provide.

Area	Comments
Qualitative Aspects of the Plan's Accounting Practices – Accounting Policies Management and those charged with governance are informed of the appropriateness of the accounting policies. Consideration includes the initial selection of and changes in significant accounting policies or their application, including the application of new accounting pronouncements, the effect of significant accounting policies in controversial or emerging areas (or those unique to an industry), and the effect of the timing of transactions in relation to the period in which they are recorded.	All significant accounting policies are described in the notes to the financial statements. We evaluate the propriety of and compliance with stated accounting principles as part of our audit.
Qualitative Aspects of the Plan's Accounting Practices – Accounting Estimates Management and those charged with governance are informed of the process for identifying items for which estimates are significant, the risks of material misstatement, and indicators of possible management bias. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosures at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Management bases its estimates on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates under different assumptions or conditions.	As part of our audit procedures, we consider management's process for evaluating its estimates and judgments, including investments. Due to the nature of limited scope audits, the estimation of investment valuation is performed by the Plan Custodian at management's request. Management's process for evaluating and preparing estimates appears appropriate.

Area	Comments
Qualitative Aspects of the Plan's Accounting Practices – Financial Statement Disclosures Management and those charged with governance are informed about the issues involved, and related judgments made, in formulating particularly sensitive financial disclosures.	As part of our audit procedures, we consider management's process for determining financial disclosures, including: • Significant accounting policies • Information certified by the Plan Custodian • Excess contributions
Qualitative Aspects of the Plan's Accounting Practices – Related Matters Management and those charged with governance are informed about the potential effect on the financial statements of significant risks, exposures, and uncertainties that are disclosed in the financial statements, the extent to which the financial statements are affected by unusual transactions, and the factors affecting asset and liability carrying values.	As described in your financial statements, the Plan is subject to the risks that actual results can differ from the estimates described above and that the effects of those differences could be material.
All Material Alternative Treatments Discussed with Management We report all alternative treatments within generally accepted accounting principles for policies and practices related to material items (including recognition, measurement, presentation, and disclosure alternatives) that have been discussed with management during the current audit period.	We noted no such alternative treatments available to management.
Unadjusted Audit Differences other than Those We Considered Trivial	We noted no such items.
Significant Recorded Audit Adjustments	As a result of our procedures, we proposed and management recorded the accrual of excess contributions.
Fraud and Illegal Acts We report to management and those charged with governance fraud and illegal acts that cause a material misstatement of the financial statements.	As reported in our management letter attached, we do not note any material weaknesses in internal accounting control. The following letter provides a more detailed communication in this area.

Area	Comments
Other Information in Documents Containing Audited Financial Statements	Not applicable
Disagreements with Management on Financial Accounting and Reporting Matters	None
Serious Difficulties Encountered in Performing the Audit	None
Major Issues Discussed with Management Prior to Retention	None
Consultation with Other Accountants	None to our knowledge.
Independence Consistent with the report and recommendations of the Blue Ribbon Committee on Improving the Effectiveness of Corporate Audit Committees and as required by Independence Standards Board Standard No. 1, *Independence discussions with Audit Committees*, we communicate, at least annually, the following to Management and those changed with governance: 1. Disclose, in writing, all relationships between Howard, LLP and our related entities and the Plan and its related entities that, in our professional judgment, may reasonable be thought to bear on independence; 2. Confirm in writing that, in our professional judgment, we are independent of the Plan within the meaning of the Securities Acts; and 3. Discuss our independence with Management.	 1. We are not aware of any relationships between Howard, LLP and the Plan that, in our professional judgment, may reasonably be thought to bear on our independence. 2. Relating to our audit of the financial statements of the Plan as of December 31, 2016 and for the year then ended, we are independent certified public accountants with respect to the Plan within the meaning of the applicable published pronouncements of the Independence Standards Board, and under Rule 101 of the American Institute of Certified Public Accountants' Code of Professional Conduct, its interpretations and ruling. 3. We would welcome the opportunity to discuss the matters addressed above.

October 9, 2017

Mr. Gary Gibson
Star Furniture Company 401(k) Plan
Houston, Texas

In planning and performing our audit of the financial statements of the Star Furniture Company 401(k) Plan (the "Plan") as of and for the year ended December 31, 2016, in accordance with auditing standards applicable in the United States of America, we considered its internal control over financial reporting ("internal control") as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and would not necessarily disclose all deficiencies in internal control that might be significant deficiencies or material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Plan's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Plan's financial statements that is more than inconsequential will not be prevented or detected by the Plan's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Plan's internal control.

We did not identify any deficiencies that we believe constitute material weaknesses; however, we did note the following:

Documentation of the System of Internal Control

In connection with the fiduciary responsibilities of those charged with governance, the Plan is required to have a process to identify risks related to internal controls and develop procedures to address those risks. This process should include the assessment of controls by third party providers of the Plan. The Plan Custodian obtains a Report on Controls (SOC 1 Report) which is a control-based audit of its investment and other transaction processing systems surrounding employee benefit plans it administers. We recommend that a designated Plan official obtain this report and determine whether there were any exceptions in controls at the Custodian that would affect the Plan.

This letter is intended solely for the use of those charged with governance and should not be used for any other purposes.

We appreciate the opportunity to present these comments for your consideration. We are prepared to discuss them with you at your convenience and provide any requested assistance in implementing the recommendations.

Very truly yours,

HOWARD, LLP

STAR FURNITURE COMPANY
401(k) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2016 AND 2015

TABLE OF CONTENTS

	Page No.
Independent Auditor's Report	1 - 2
Statements of Net Assets Available for Benefits	3
Statements of Change in Net Assets Available for Benefits	4
Notes to Financial Statements	5 - 9
Schedule of Assets (Held At End of Year)	11

INDEPENDENT AUDITOR'S REPORT

October 9, 2017

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

Report on the Financial Statements
We were engaged to audit the accompanying financial statements of Star Furniture Company 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, 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
Plan 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 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 4, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing the information with the related information included in the financial statements and supplemental schedule. 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, 2016 and 2015, 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, 2016, 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 custodian, 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.

HOWARD, LLP

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

December 31,	*2016*	*2015*
Assets		
Cash, non-interest bearing	$ 4,050	$ -
Investments		
Shares of registered investment company mutual funds, at fair value	11,571,758	17,029,707
Common collective trust, at fair value	6,721,695	-
Total investments	18,293,453	17,029,707
Receivables		
Participant notes receivable	606,438	511,762
Participant contributions	27,392	27,400
Employer contributions	2,860	3,579
	636,690	542,741
Total Assets	18,934,193	17,572,448
Liabilities, Excess contributions payable	54,959	46,565
Net assets available for benefits	$ 18,879,234	$ 17,525,883

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

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

Years Ended December 31,	*2016*	*2015*
Additions to net assets attributed to:		
Investment income		
Net appreciation in fair value of investments	$ 1,185,740	$ 238,251
Interest and dividends	155,788	21,010
Total investment income	1,341,528	259,261
Contributions		
Employer	209,590	214,590
Employee	1,166,518	1,183,922
Rollover	94,736	21,872
Total contributions	1,470,844	1,420,384
Total additions	2,812,372	1,679,645
Deductions from net assets attributed to:		
Distributions to participants	1,384,471	2,064,377
Administrative expenses	74,550	79,502
Total deductions	1,459,021	2,143,879
Net (decrease) increase	1,353,351	(464,234)
Net assets available for benefits, beginning of year	17,525,883	17,990,117
Net assets available for benefits, end of year	$ 18,879,234	$ 17,525,883

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

1. Description of Plan

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

In preparation of these financial statements and related footnotes, the Plan's management has considered events through October 9, 2017, the date these financial statements were available to be issued.

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

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

Contributions - Each year, participants may contribute up to 100 percent of pretax annual compensation, limited to $18,000 for 2016. Participants age 50 or older may elect to defer an additional $6,000 for 2016. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. The Company contributes 100% of the first $300 of participant contributions plus 25% of the remaining participant contributions between $301 and $3,000. Contributions are subject to certain limitations as defined in the Plan as required by ERISA.

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

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

1. Description of Plan (continued)

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

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

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

Forfeitures - Forfeitures are created when participants terminate employment before becoming entitled to their full benefits under the Plan. The forfeited amounts may be used to reduce future Company contributions. During 2016, $10,381 of forfeitures were used to reduce company contributions. During 2015, $9,495 of forfeitures were used to reduce company contributions.

2. Summary of the Accounting Policies

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

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

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

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

2. Summary of the Accounting Policies (continued)

Corrective Distributions - Each year, the Plan is subject to annual contribution nondiscrimination testing. The Plan failed the Average Deferral Percentage test for the plan years 2016 and 2015. Corrective distributions of excess contributions of $54,959 in 2016 and $46,565 in 2015 which were deferrals made by certain participants considered to be highly compensated employees were returned to the participants as a result of the failed test. The Plan made the corrective distributions within two and a half months of the plan year end which is the requirement to avoid penalties.

3. Fair Value Measurements

Generally accepted accounting principles establishes a framework for measuring fair value which 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 are described below:

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.

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

The asset'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 the Plan's assets measured at fair value on a recurring basis and recognized in the accompanying 2016 and 2015 Statement of Net Assets Available for Benefits, as well as the general classification of such assets pursuant to the valuation hierarchy.

3. Fair Value Measurements (continued)

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Common/collective trust funds: Valued at the NAV of units of a bank collective trust. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The Plan's investments are held in a variety of funds. The following table presents investments at December 31:

Valuation		2016	2015
Mutual Funds	Level 1 inputs	$11,571,758	$17,029,707
Collective Trust Funds	Level 2 inputs	6,721,695	-
Total Investments, at fair value		$18,293,453	$17,029,707

4. Information Prepared and Certified by the Trustee

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

	2016	2015
Investments, at fair value	$18,293,453	$17,029,707
Cash, non-interest bearing	4,050	-
Notes receivable from participants	606,438	511,762
Investment income	1,341,528	259,261

5. Income Taxes

The Plan is a non-standardized prototype plan. The Internal Revenue Service has determined and informed the preparer of the prototype plan by letter dated March 31, 2008, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. The Company has not obtained a determination letter for the Plan subsequent to its initiation; however, the Company believes the Plan continues to operate in accordance with the requirements set forth in the Internal Revenue Code.

6. Parties in Interest

Parties-in-interest are defined under DOL regulations as any fiduciary of the Plan or party rendering services to the Plan, the employer and certain others. As such, transactions conducted with the Company, trustee, custodian and third party administrator qualify as party-in-interest transactions.

The Plan invests in certain funds managed by the plan custodian which qualify as party-in-interest transactions.

7. Plan Termination

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

8. Reconciliation of Financial Statements to Form 5500

The following schedule reconciles net assets available for benefits as presented in form 5500 and the financial statements as of December 31, 2016 and 2015.

	2016	2015
Net assets available for benefits – financial statements	$18,879,234	$17,525,883
Contributions receivable	(30,252)	(30,979)
Excess contributions payable	54,959	46,565
Net assets available for benefits – Form 5500	$18,903,941	$17,541,469

8. Reconciliation of Financial Statements to Form 5500, continued

The following schedule reconciles the net change in net assets reflected in the financial statements to Form 5500 for the year ended December 31, 2016.

	2016
Net Increase in net assets-financial statements	$ 1,353,351
Less: Contributions receivable, current year	(30,252)
Add: Contribution receivable, prior year	30,979
Less: Excess contributions payable-prior year	(46,565)
Add: Excess contributions payable-current year	54,959
Net Increase – Form 5500	$ 1,362,472

SUPPLEMENTAL SCHEDULE

STAR FURNITURE COMPANY 401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN - 74-0920070, PLAN - 001
DECEMBER 31, 2016

(a)	(b) Identity of Issue Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value		(e) Current Value
*	Wells Fargo Retirement Plan Services	Mutual Funds	$	11,571,758
*	Wells Fargo Retirement Plan Services	Common Collective Trust		6,721,695
*	Notes receivable from participants	Interest rate: 4.25%-5.25% Maturing through Nov. 2021		606,438
			$	18,899,891

* Indicates a party in interest.

STAR FURNITURE COMPANY 401(k) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
EIN - 74-0920070, PLAN - 001
DECEMBER 31, 2016

(a)	(b) Identity of Issue Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value		(e) Current Value
*	Wells Fargo Retirement Plan Services	Mutual Funds	$	11,571,758
*	Wells Fargo Retirement Plan Services	Common Collective Trust		6,721,695
*	Notes receivable from participants	Interest rate: 4.25%-5.25% Maturing through Nov. 2021		606,438
			$	18,899,891

* Indicates a party in interest.