

UNITED FURNITURE WORKERS *Pension Fund A*

HARRY BOOT
Chairman

P.O. BOX 100037 TEL: 615-889-8860 1910 AIRLANE DRIVE
NASHVILLE, TN 37224 FAX: 615-391-0865 NASHVILLE, TN 37210

DEE ANNE WALKER
Director

Trustees
KEN IRVING
JANA HELMRICH
DIANA STRICKLAND
ULISES VERGARA
DEE ANNE WALKER

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TO: Contributing Employers and Local Unions

Below please find the Summary Plan Information of the United Furniture Workers Pension Fund A for the fiscal year ended February 28, 2022, as required under the provisions of the Pension Protection Act of 2006 (ERISA Section 104(d)).

Sincerely yours,


Harry Boot
Chairman

UNITED FURNITURE WORKERS PENSION FUND A **SUMMARY PLAN INFORMATION FOR THE YEAR ENDED FEBRUARY 28, 2022**

The following information is being furnished to contributing employers and local unions following the Plan's filing of its 2021 Annual Report (Form 5500) in accordance with the Pension Protection Act of 2006 (ERISA Section 104(d)):

1. Participating employers in the Plan contribute on behalf of covered employees under one of three schedules: on a "fixed dollar per hour" basis, on a "fixed dollar per month" basis, and on a "percentage of gross wages" basis. The contribution schedule, basis and amounts are determined through collective bargaining between the parties. The Rehabilitation Plan, which was adopted in December 2008 and amended February 18, 2020, requires the bargaining parties to negotiate annual increases in their contribution rates upon the expiration of their current agreement. Effective January 1, 2020 upon the anniversary date of the applicable collective bargaining agreement or contribution agreement under which the Employer is obligated to make contributions, a Contributing Employer who adopts the Revised Schedule shall be required to increase its total contributions to the Pension Fund by 1.5% (previously 5.5% under the prior Rehabilitation Plan).
2. The monthly benefit at normal retirement is equal to the sum of the following, but not less than \$50 for members with at least 10 years of credited service:
 - a. Multiply the average annual contribution made on the Participant's behalf after January 1, 1971 by the number of years of Past Service by the applicable percentage. The percentage ranges from 1.8% to 2.2% depending on when participation began and how many months employer contributions were made.
 - b. Multiply the average annual contribution made on the Participant's behalf after January 1, 1971 by the Effective Service Credit by 3.0%.
 - c. Multiply the total amount contributed on behalf of the participant from January 1, 1971 to August 31, 2003 by 3.0%.
 - d. Multiply the total amount contributed on behalf of the participant from September 1, 2003 to August 31, 2006 by 2.0%.
 - e. Multiply the total amount contributed on behalf of the participant after August 31, 2006 by 1.0%.

(over)

The benefit is payable unreduced at the later of the date the Participant attains age 65 or the 5th anniversary of Plan participation. A participant may elect a reduced benefit after age 55 if they have 5 years of benefit service. There were no changes to the benefit formula during the plan year.

Effective September 1, 2017, the monthly accrued benefit is subject to the MPRA Benefit Suspension. All accrued benefits are reduced to 110% of the PBGC Guarantee with adjustments for the age-based and disability-based limitations. Future accruals earned after September 1, 2017 are not subject to these reductions.

PBGC Guarantee: 100% of the first \$11 of the monthly benefit rate, plus 75% of the next \$33 of the monthly benefit rate, times the participant's years of credited service.

Age-based limitation: The suspension is pro-rated for participants & beneficiaries between 75 and 80 on the effective date of the suspension. There is no impact for those over 80. The amount is pro-rated based on the months until age 80.

Disability-based limitation: There is no reduction for disabled participants.

3. As of February 28, 2022, 16 employers were obligated to contribute to the Plan. The employers that contributed more than 5% of the total contributions were: Steinway & Sons, Sealy Mattress Company #3900, Sealy Mattress Company of NJ, and Sealy Mattress Company #4090.
4. There were two employer withdrawals during the preceding plan year and \$708,331 in withdrawal liability was assessed.
5. The number of Plan participants for whom no contributions were made totaled 3,314 for 2021, 3,438 for 2020, and 3,589 for 2019.
6. The Plan was in "Critical" status for the Plan Year ending February 28, 2022 because the Fund had an accumulated funding deficiency for the 2021 plan year.

The Plan's Rehabilitation Plan (RP) removed some adjustable benefits (withdrawal benefit, 36 month guarantee option and subsidized early retirement for terminated vested members) effective March 1, 2009 and effective March 1, 2018 Contributing Employers shall increase their total contributions by 1.5% (previously 5.5% under the prior RP). While the rehabilitation period is generally the 10 years, the Plan's RP utilizes the so-called exhaustion option under the Pension Protection Act.

You may obtain a copy of the Plan's RP and the actuarial and financial data that demonstrate any action taken by the plan toward fiscal improvement by contacting the plan administrator.

7. The Plan did not merge with any other plan during the plan year, and there were no transfers of plan assets or liabilities between the Plan and any other plan.
8. The Plan neither sought nor received an amortization extension and did not use the shortfall funding method for plan year 2021.

YOUR RIGHTS TO ADDITIONAL INFORMATION

Plan participants and their beneficiaries, participating employers, and union representatives are entitled to request one copy per any 12-month period of certain Plan documents. The Plan Administrator may charge a reasonable fee to cover the copying, mailing, and other costs of furnishing any requested documents. These documents include the Annual Report filed with the IRS (Form 5500) and the Plan Document.