

STATE OF TENNESSEE

ORIGINAL

DEPARTMENT OF INSURANCE
DIVISION OF SELF INSURANCE
NASHVILLE

BOND OF EMPLOYER CARRYING HIS OWN RISK

KNOW ALL MEN BY THESE PRESENTS: That Norwalk Furniture Corporation of Tennessee
of Cookeville, Tennessee
as principal, and Midwest Employers Casualty Company
of St. Louis, Missouri, as surety, are
held and firmly bound unto the State of Tennessee for the use and benefit of the employees of the principal and to the dependents
of such employees, in the sum of Three hundred thousand Dollars,
current money of the United States, to be paid to the State of Tennessee, to the payment whereof we hereby bind ourselves and
each of us, our and each of our heirs, executors, successors and assigns, jointly and severally, firmly, by these presents.

Sealed with our seal and dated, this 30th day of December, A. D., 1991

WHEREAS, the above bounden Norwalk Furniture Corporation of Tennessee
did on the 1st day of January, 1992, file with the Commissioner of Insurance of the State of
Tennessee, his, her, their or its application for the privilege, under Section 50-1205, Tennessee Code Annotated, and any amendments
thereto, being a part of the Workmen's Compensation Insurance Law, Chapter 12, of Title 50, Tennessee Code Annotated, of paying
compensation and operating under said Law without insuring the same; and

WHEREAS, the Commissioner of Insurance did, on the 1st day of JANUARY, 1992 grant
Three Hundred
this privilege upon the condition that the said principal enter into a bond in the penalty sum of Thousand Dollars,
conditioned, among other things, that said principal shall abide by and perform the requirements of the aforesaid Law and any
amendments thereto, with reference to paying compensation and furnishing medical, surgical and other services and funeral expenses
to said employees and their dependents;

NOW, THEREFORE, the condition of this obligation is such that if the above bounden
Norwalk Furniture Corporation of Tennessee
shall well and truly, from time to time, and at all times thereafter, abide by and perform all requirements of the aforesaid Law
and any amendments thereto, respecting the payment of compensation and furnishing at its own cost and expense, of medical,
surgical and other services and funeral expenses to said employees and their dependents, then this obligation shall be void, otherwise
to remain in full force and effect.

This bond is and shall be construed to be a direct obligation by the principal and surety herein either jointly or severally, to
the person who may be entitled to such sum for medical, surgical and other services, funeral expenses or compensation and may
be sued upon and enforced in the name or names of such person or persons.

This Bond may be cancelled at any time by the surety upon giving thirty (30) days' written notice to the Commissioner of
insurance of the State of Tennessee, in which event the liability of the surety shall, at the expiration of the said thirty days,
cease and determine, except as to such liability of the principal on account of injury or death to any of its employees, as may have
accrued prior to the expiration of said thirty days, it being understood that the surety shall be liable, within the penal sum men-
tioned herein, for the default of the principal in fully discharging any liability on its part accruing during the life of this obligation.

IN WITNESS WHEREOF, the said principal has caused these presents to be executed by the signature of its
President and its corporate seal attached thereto, attested by its Controller, and the said surety
or sureties have likewise caused these presents to be executed by the signature of its Vice President, and its
corporate seal attached hereto, attested by its Secretary

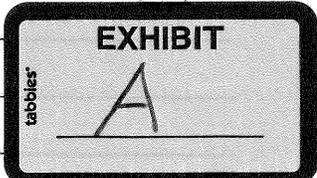
(SEAL)
Attest as to Seal: Catrina Park Controller (Title) By Richard A Campbell President (Title)
Norwalk Furniture Corporation of Tennessee
Richard A. Campbell, President (Title)

(SEAL)
Attest as to Seal: Joseph Beech III Secretary (Title) By Harry C. Pettey, Jr. Vice President (Title)
Midwest Employers Casualty Company
Joseph Beech III, Secretary (Title) Harry C. Pettey, Jr., Vice President (Title)
Countersigned: Richard A. Campbell (Resident Representative in Tennessee)

(If executed by other than a corporation)
IN WITNESS WHEREOF, we have hereunto set our hands and seals on the day and date first above written.

WITNESS:
RECEIVED
DEC 31 1991
Department of Commerce
And Insurance
Self-Insurance/Surplus Lines Unit

Principal
By _____ (Title)
Surety
Surety
Surety



APPOINTMENT OF ATTORNEY-IN-FACT BY INSURER

KNOW ALL MEN BY THESE PRESENTS, That the Midwest Employers Casualty Company of the State of Ohio has appointed and authorized the following to represent said company with the full power and authority to authorize and sign such surety bonds as are required by the State of Tennessee:

J. Thomas Markham Cincinnati Ohio
J. Thomas Markham, President City State

Harry J. Pettey, Jr. St. Louis Missouri
Harry J. Pettey, Jr., Vice President City State

J. Thomas Markham
President

SEAL

Lisa C. Lambert
Assistant Secretary

State of Missouri
County of St. Louis

BE IT REMEMBERED, that on the 23rd day of October 1991, before me personally appeared J. Thomas Markham, President of the above named Corporation, who being duly sworn, deposes and says that he was personally present at the execution of the above Power of Attorney and saw the Common seal of the said Corporation of the Midwest Employers Casualty Company duly fixed thereto, and that the above Power of Attorney was duly signed, sealed and delivered by, as and for the Act and Deed of the said Midwest Employers Casualty Company for the uses and purposes therein mentioned, and that the name of this deponent subscribed to said Power of Attorney as President of said Corporation is of this deponent's own handwriting, and that the name of Lisa C. Lambert subscribed to said Power of Attorney as Assistant Secretary of said Corporation in attestation of the due execution and delivery of said Power of Attorney is of her own proper handwriting.

Sworn to and subscribed before me, Irene M. Malec this 23rd
day of October, 1991. notary public

IRENE M. MALEC
NOTARY PUBLIC STATE OF MISSOURI
ST. LOUIS COUNTY
MY COMMISSION EXP. APR. 30, 1994

RECEIVED
JAN 06 1992

SELF INS/SURPLUS LINES DIV.
DEPT. OF COMMERCE & INSURANCE

DEPT. OF COMMERCE & INSURANCE
SELF INSURANCE LINES DIV.
JAN 9 1935
RECEIVED

RECEIVED
JAN 9 1935
DEPT. OF COMMERCE & INSURANCE
SELF INSURANCE LINES DIV.





• INSURANCE
• RISK SOLUTIONS & SUPPORT

Richard D. Hammer
PRESIDENT

December 31, 1991

Mr. Wes Rankin
Financial Examiner
Self-Insurance Division
State of Tennessee
500 James Robertson Parkway
4th Floor
Nashville, TN 37219

RE: Norwalk Furniture Corporation of TN

Dear Wes:

Attached is the self-insured bond form for Norwalk Furniture Corporation of TN. After reviewing, if there are any questions, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Dick".

Richard D. Hammer
President

RDH/lr

Attachment



213-A WARD CIRCLE
BRENTWOOD, TENNESSEE 37027
TELEPHONE 615.371.9211
FAX 615.371.1412

**SURETY BOND TERRORISM RIDER
(TERRORISM RISK INSURANCE ACT NOTIFICATION)**

This notice addresses requirements of the Terrorism Risk Insurance Act of 2002.

Definitions:

The definitions provided in this notice are based on the definitions in the Act and are intended to have the same meaning. If words or phrases not defined in this notice are defined in the Act, the definitions in the Act will apply.

"Act" means the Terrorism Risk Insurance Act of 2002, which took effect on November 26, 2002, and any amendments.

"Act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States as meeting all of the following requirements:

- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside of the United States in the case of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Insured terrorism or war loss" means any loss resulting from an act of terrorism (including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at United States missions or to certain air carriers or vessels.

"Insurer deductible" means:

- a. For the period beginning on November 26, 2002 and ending on December 31, 2002, an amount equal to 1% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding November 26, 2002.
- b. For the period, beginning on January 1, 2003 and ending on December 31, 2003, an amount equal to 7% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2003.
- c. For the period beginning on January 1, 2004 and ending on December 31, 2004, an amount equal to 10% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2004.
- d. For the period beginning on January 1, 2005 and ending on December 31, 2005, an amount equal to 15% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2005.

Limitation of Liability:

The Act may limit our liability to you under this policy. If annual aggregate insured terrorism or war losses of all insurers exceed \$100,000,000,000 during the applicable period provided in the Act, and if we have met our insurer deductible, the amount we will pay for insured terrorism or war losses under this policy will be limited by the Act, as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

1. Insured terrorism or war losses would be partially reimbursed by the United States Government under a formula established by the Act. Under this formula, the United States Government would pay 90% of our insured terrorism or war losses exceeding our insurer deductible.
2. The additional premium charged for the coverage this policy provides for insured terrorism or war losses is shown in the Schedule below.

Schedule:

State: Tennessee

Charge: \$300

Insured: Norwalk Furniture Corporation of Tennessee

Bond # B002TN

Effective Date: 1/1/2004

SURETY: MIDWEST EMPLOYERS CASUALTY COMPANY

RECEIVED

APR 27 2004



Peter W. Shaw, CFO/Treasurer

Printed Name and Title

Dept. of Commerce & Insurance
Financial Affairs/Analytical Section



Peter W. Shaw, Director

STATE OF TENNESSEE
DEPARTMENT OF INSURANCE
DIVISION OF SELF-INSURANCE
NASHVILLE
SURETY RIDER

To be attached to and form a part of

Type of Bond: Self-Insurer's Bond
Bond No. : B002TN
Principal : Norwalk Furniture Corporation Of Tennessee
Surety : Midwest Employers Casualty Company
in favor of : State of Tennessee

In consideration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing the amount of bond liability effective November 1, 1993:

FROM: \$300,000

TO: \$350,000

Nothing herein contained shall vary, alter or extend any provisions or condition of this bond except as herein expressly stated.

Signed and Sealed 09 13 93
(Month, Day, Year)

ATTEST:

Robert C. Gubler
Secretary
RECEIVED
NOV 01 1993

FOR PRINCIPAL: Norwalk Furniture Corporation of TN

SIGNATURE: Richard A. Campbell

PRINTED NAME: Richard A. Campbell

TITLE: Pres.

ATTEST: SELF-INSURANCE DIV.
DEPT. OF COMMERCE & INSURANCE

Lisa C. Lambert
Asst. Secretary - Lisa C. Lambert

FOR SURETY: MIDWEST EMPLOYERS CASUALTY CO.

SIGNATURE: Patrick L. Pope

PRINTED NAME: Patrick L. Pope

TITLE: Vice President

STATE OF TENNESSEE

DEPARTMENT OF COMMERCE AND INSURANCE

Surety Bond Rider

This Rider shall be attached to and form a part of Bond No. B002TN executed by Norwalk Furniture Corporation of Tennessee as Principal and by Midwest Employers Casualty Company as Surety, in favor of The State of Tennessee.

In consideration of the mutual agreements herein contained the Principal and the Surety hereby consent to AN INCREASE IN THE BOND PENALTY:

FROM: \$350,000

TO: \$500,000

Except as expressly stated herein, this rider shall not vary, alter or extend any provision or condition of this bond

This rider shall be effective as of January 1, 2004.

Attest:

Beverly Green

PRINCIPAL: ~~Norwalk Furniture Corporation of Tennessee~~

SIGNATURE:

RA Campbell

PRINTED NAME:

RA Campbell

TITLE:

President

DATE:

12-29-03

Attest:

Pamela A. Goldman

Pamela A. Goldman, Assistant Secretary

SURETY:

Midwest Employers Casualty Company

SIGNATURE:

Peter W. Shaw

PRINTED NAME:

Peter W. Shaw, CFO/Treasurer

TITLE:

DATE:

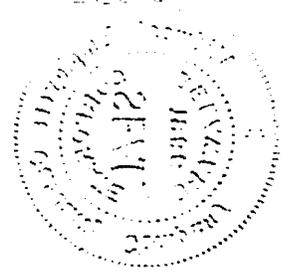
April 27, 2004

*POC
POC*

RECEIVED

APR 27 2004

1918 FEB 20 10 30 AM
RECEIVED
U.S. DEPARTMENT OF JUSTICE
WASHINGTON, D.C.



Famela A. Goldman, Assistant Secretary

STATE OF TENNESSEE

DEPARTMENT OF COMMERCE AND INSURANCE

Surety Bond Rider

This Rider shall be attached to and form a part of Bond No. B002TN executed by Norwalk Furniture Corporation of Tennessee as Principal and by Midwest Employers Casualty Company as Surety, in favor of the State of Tennessee.

The Principal and the Surety hereby consent to an increase in the bond penalty as follows:

FROM: \$ 500,000

TO: \$ 905,000

Except as expressly stated herein, this rider shall not vary, alter or extend any provision or condition of this bond

This rider shall be effective as of November 15, 2005.

PRINCIPAL: Norwalk Furniture Corporation of Tennessee

Attest:

Beverly Green

SIGNATURE: Allan Stingley

PRINTED NAME: ALLAN Stingley

TITLE: Vice President of Operations

DATE: 11-3-05

SURETY: Midwest Employers Casualty Company

Attest:

Pamela A. Goldman

SIGNATURE: Peter W. Shaw

PRINTED NAME: Peter W. Shaw, CFO/Treasurer

TITLE: _____

DATE: _____

Pamela A. Goldman, Assistant Secretary

SECRETARY'S OFFICE

OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS

100 WALL STREET

THE BOARD OF DIRECTORS OF THE COMPANY HAS APPROVED THE FOLLOWING RESOLUTIONS:

RESOLUTION NO. 1: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 2: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 3: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

THE BOARD OF DIRECTORS HAS APPROVED THE FOLLOWING RESOLUTIONS:

RESOLUTION NO. 4: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 5: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 6: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 7: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 8: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 9: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 10: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

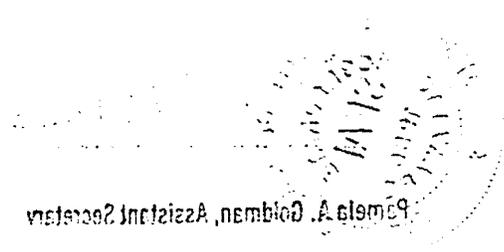
RESOLUTION NO. 11: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 12: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 13: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 14: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:

RESOLUTION NO. 15: THAT THE BOARD OF DIRECTORS APPROVES THE FOLLOWING:



SECRETARY'S OFFICE

**SURETY BOND TERRORISM RIDER
(TERRORISM RISK INSURANCE ACT NOTIFICATION)**

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- a. The act is an act of terrorism.
- b. The act is violent or dangerous to human life, property or infrastructure.
- c. The act resulted in damage within the United States, or outside of the United States in the case of United States missions or certain air carriers or vessels.
- d. The act has been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Insured terrorism or war loss" means any loss resulting from an act of terrorism (including an act of war, in the case of workers compensation) that is covered by primary or excess property and casualty insurance issued by an insurer if the loss occurs in the United States or at United States missions or to certain air carriers or vessels.

"Insurer deductible" means:

- a. For the period beginning on November 26, 2002 and ending on December 31, 2002, an amount equal to 1% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding November 26, 2002.
- b. For the period, beginning on January 1, 2003 and ending on December 31, 2003, an amount equal to 7% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2003.
- c. For the period beginning on January 1, 2004 and ending on December 31, 2004, an amount equal to 10% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2004.
- d. For the period beginning on January 1, 2005 and ending on December 31, 2005, an amount equal to 15% of our direct earned premiums, as provided in the Act, over the calendar year immediately preceding January 1, 2005.

Limitation of Liability:

The Act may limit our liability to you under this policy. If annual aggregate insured terrorism or war losses of all insurers exceed \$100,000,000,000 during the applicable period provided in the Act, and if we have met our insurer deductible, the amount we will pay for insured terrorism or war losses under this policy will be limited by the Act, as determined by the Secretary of the Treasury.

Policyholder Disclosure Notice

1. Insured terrorism or war losses would be partially reimbursed by the United States Government under a formula established by the Act. Under this formula, the United States Government would pay 90% of our insured terrorism or war losses exceeding our insurer deductible.
2. The additional premium charged for the coverage this policy provides for insured terrorism or war losses is shown in the Schedule below.

Schedule:

State: Tennessee

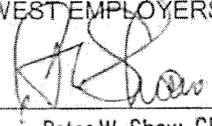
Charge: \$679

Insured: Norwalk Furniture Corporation of Tennessee

Bond # B002TN

Effective Date: 11/15/2005

SURETY: MIDWEST EMPLOYERS CASUALTY COMPANY



Peter W. Shaw, CFO/Treasurer

Printed Name and Title

Faint header text at the top of the page, possibly including a date or reference number.

First main paragraph of text, containing several lines of faint, illegible characters.

Second main paragraph of text, continuing the faint, illegible content.

Third main paragraph of text, with faint, illegible characters.

Fourth main paragraph of text, containing faint, illegible text.

Fifth main paragraph of text, with faint, illegible characters.

Sixth main paragraph of text, containing faint, illegible text.

Seventh main paragraph of text, with faint, illegible characters.

Eighth main paragraph of text, containing faint, illegible text.

Ninth main paragraph of text, with faint, illegible characters.

Peter W. Shaw, CFO/Treasurer



APPOINTMENT OF ATTORNEY-IN-FACT BY INSURER

KNOW ALL MEN BY THESE PRESENTS, That the Midwest Employers Casualty Company of the State of Delaware has appointed and authorized the following to represent said company with the full power and authority to authorize and sign such surety bonds as are required by the State of Tennessee :

Melodee J. Saunders

Melodee J. Saunders, President

St. Louis
City

Missouri
State

Peter W. Shaw

Peter W. Shaw, CFO/Treasurer

St. Louis
City

Missouri
State

Melodee J. Saunders

President
Melodee J. Saunders

SEAL

Pamela A. Goldman

Assistant Secretary
Pamela A. Goldman

State of Missouri
County of St. Louis

BE IT REMEMBERED, that on the 15th day of November 2005, before me personally appeared Melodee J. Saunders, President of the above named Corporation, who being duly sworn, deposes and says that she was personally present at the execution of the above Power of Attorney and saw the Common seal of the said Corporation of the Midwest Employers Casualty Company duly fixed thereto, and that the above Power of Attorney was duly signed, sealed and delivered by, as and for the Act and Deed of the said Midwest Employers Casualty Company for the uses and purposes therein mentioned, and that the name of this deponent subscribed to said Power of Attorney as President of said Corporation is of this deponent's own handwriting, and that the name of Pamela A. Goldman subscribed to said Power of Attorney as Assistant Secretary of said Corporation in attestation of the due execution and delivery of said Power of Attorney is of her own proper handwriting.

Sworn to and subscribed before me, Margaret A. Kubi this 15th day of November, 2005.
notary public

Midwest Employers Casualty Company

December 26, 2007

via Federal Express

Ms. Jara Kirsch
Department of Commerce & Insurance
500 James Robertson Parkway
4th Floor, Self Insurance Section
Nashville, TN 37243-1132

Re: B002TN- Norwalk Furniture Corp of TN

Dear Mr. Kirsch:

Please find enclosed the following:

- B002TN- Norwalk Furniture Corp of TN

Thank you for your assistance in this matter.

Very truly yours,

MIDWEST EMPLOYERS CASUALTY CO.



Margaret Kirk
Accountant

Enclosure

cc: Charles Acbel, BISYS Services, Inc.



14755 North Outer Forty Drive • Suite 300 • Chesterfield, MO 63017 • Phone: 636-449-7000 • Fax: 636-449-7199

 A BERKLEY COMPANY®

STATE OF TENNESSEE

DEPARTMENT OF COMMERCE AND INSURANCE

Surety Bond Rider

This Rider shall be attached to and form a part of Bond No. B002TN executed by Norwalk Furniture Corporation as Principal and by Midwest Employers Casualty Company as Surety, in favor of the State of Tennessee.

The Principal and the Surety hereby consent to a decrease in the bond penalty as follows:

FROM: \$ 905,000

TO: \$ 500,000

Except as expressly stated herein, this rider shall not vary, alter or extend any provision or condition of this bond

This rider shall be effective as of December 10, 2007.

PRINCIPAL: Norwalk Furniture Corporation
SIGNATURE: Allan Stingley
PRINTED NAME: ALLAN Stingley
TITLE: COO
DATE: 12-11-07

Attest:
Beverly Green

SURETY: Midwest Employers Casualty Company
SIGNATURE: Peter W. Shaw
PRINTED NAME: Peter W. Shaw, CFO/Treasurer
TITLE: _____
DATE: _____

Attest:
Pameia A. Goldman
Pameia A. Goldman, Assistant Secretary

APPOINTMENT OF ATTORNEY-IN-FACT BY INSURER

KNOW ALL MEN BY THESE PRESENTS, That the Midwest Employers Casualty Company of the State of Delaware has appointed and authorized the following to represent said company with the full power and authority to authorize and sign such surety bonds as are required by the State of :

Melodee J. Saunders

Melodee J. Saunders, President

St. Louis
City

Missouri
State

Peter W. Shaw

Peter W. Shaw, CFO/Treasurer

St. Louis
City

Missouri
State

Melodee J. Saunders

President

SEAL

Pamela A. Goldman

Assistant Secretary

State of Missouri
County of St. Louis

BE IT REMEMBERED, that on the 26th day of December 2007, before me personally appeared Melodee J. Saunders, President of the above named Corporation, who being duly sworn, deposes and says that she was personally present at the execution of the above Power of Attorney and saw the Common seal of the said Corporation of the Midwest Employers Casualty Company duly fixed thereto, and that the above Power of Attorney was duly signed, sealed and delivered by, as and for the Act and Deed of the said Midwest Employers Casualty Company for the uses and purposes therein mentioned, and that the name of this deponent subscribed to said Power of Attorney as President of said Corporation is of this deponent's own handwriting, and that the name of Pamela A. Goldman subscribed to said Power of Attorney as Assistant Secretary of said Corporation in attestation of the due execution and delivery of said Power of Attorney is of her own proper handwriting.

Sworn to and subscribed before me, Margaret A. Kirk this 26th day of December, 2007.
notary public



MARGARET A. KIRK
My Commission Expires
August 1, 2010
St. Louis County
Commission #06395037

FedEx | Ship Manager | Label 7039455184

Page 1 of 1

From: Origin ID: ZSVA (636)449-7025
Margaret Kirk
Midwest Employers Casualty Co
14755 North Outer 40 Dr., Suite 300

Chesterfield, MO 63017



Ship Date: 26DEC07
Act/Wgt: 1 LB
System#: 1877700/INET7091
Account#: S *****

Delivery Address Bar Code

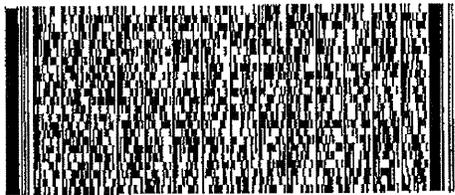


Ref #
Invoice #
PO #
Dept # 8000

SHIP TO: (636)449-7025 BILL SENDER
Jara Kirsh
Department of Commerce & Insurance
500 James Robertson Parkway
4th Floor Self Insurance Section
Nashville, TN 372431132

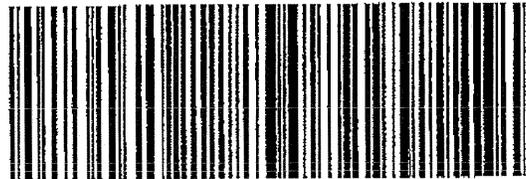
THU - 27DEC A1
STANDARD OVERNIGHT

TRK# 7983 3945 5184
0201



XH-RNCA

BNA
TN-US
37243



Shipping Label: Your shipment is complete

1. Use the 'Print' feature from your browser to send this page to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.

Midwest Employers Casualty Company

June 29, 2007

Via Facsimile and Certified Mail

Ms. Jara Kirsch
Department of Commerce and Insurance
500 James Robertson Parkway
4th Floor, Self Insurance Section
Nashville, TN 37243

RE: Surety Bond B002TN \$905,000
Norwalk Furniture Corporation of Tennessee

Please accept this letter as our thirty-day notice of cancellation of the above referenced surety bond, to be effective July 29, 2007. It is our understanding that Norwalk Furniture Corporation has surrendered its self insurance authority and is no longer self insured.

Sincerely,



Charles F. Aebel
Bond Underwriting Manager

cc: Ted Campbell
Angie McCord

RECEIVED

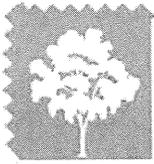
JUL 09 2007

Financial Affairs
Analytical Unit



14755 North Outer Forty Drive • Suite 300 • Chesterfield, MO 63017 • Phone: 636-449-7000 • Fax: 636-449-7199

 A BERKLEY COMPANY*



NORWALK[®]
WOOD PRODUCTS

P. O. Box 3067
Phone: (931) 432-4171
Fax: (931) 432-4176
Cookeville, TN 38502-3067

July 11, 2007

Jara Kirsch, Analyst
Department of Commerce and Insurance
Financial Affairs / Analytical Unit 0576
500 James Robertson Parkway, 4th Floor
Nashville, TN 37243

Ms Kirsch:

Norwalk Furniture Corporation of Tennessee has elected to cancel the self-funded workers compensation program and have gone to a fully insured program with Wausau. The insurance with Wausau is effective July 1, 2007.

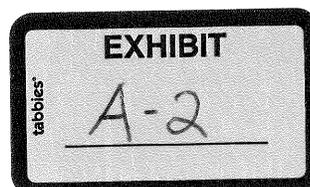
If you have any questions or need anything further, please contact me.

Sincerely,

Allan Stingley
VPO/COO

cc: Angie McCord, BSA

Certified Receipt # 7006 2760 0000 5467 1104
Return Receipt Requested



RECEIVED

JUL 20 2007

Financial Affairs
Analytical Unit

YMF
4/9/07

STATE OF TENNESSEE
RENEWAL APPLICATION FOR WORKERS' COMPENSATION SELF-INSURANCE

EACH BLANK MUST BE ANSWERED IN FULL

THE DEPARTMENT OF COMMERCE AND INSURANCE
Financial Affairs / Analytical Unit 0576
500 James Robertson Parkway, 4th Floor
Nashville, TN 37243

Date Completed January 29, 2007
DUE on or before January 31, 2007

The undersigned employer (applicant) submits the following statements and reports of qualifications to carry its own risk under provisions of the Workers' Compensation Act of Tennessee.

1. Name of applicant Norwalk Furniture Corp. of Tennessee FEIN# 62-0758400

2. Address P. O. Box 3067 Cookeville Putnam
Street City County
Tennessee 38502-3067 (931) 432-4171
State Zip Code+ Phone Number

3. The applicant is Corporation
(State whether a corporation, public authority, or other)

4. List below the name and addresses of officers and directors of the corporation.
Title (as "Officer", "President", "Director") Name Address

a. Chairman James E. Gerken 100 Furniture Pkwy, Norwalk, OH 44857
b. President George B. Elmer 100 Furniture Pkwy, Norwalk, OH 44857
c. Treasurer & Secretary George B. Elmer 100 Furniture Pkwy, Norwalk, OH 44857
d. Assistant Secretary Peg J. Whitehurst 100 Furniture Pkwy, Norwalk, OH 44857
e. Vice President & COO Allan Stingley P.O. Box 3067, Cookeville, TN 38502

5. Date of commencement of self-insurance in Tennessee January 1, 1992

6. Chartered under the laws of the state of Tennessee on September 22, 1966
Date

7. If a foreign corporation, give date of registration in the office of the Tennessee Secretary of State N/A
Date

8. Has there been any change in corporate structure within the last two years? N/A
If yes, explain.

9. Has applicant any affiliates, subsidiaries, or divisions operating in Tennessee? Yes If so, give following information
Yes or No

State whether affiliate, division or Subsidiary	Name and office address*	Character and location of business
a. <u>Division of NFC-TN</u>	<u>Wood Products Division</u>	<u>Manufacturing at</u>
b. <u></u>	<u>P.O. Box 3067</u>	<u>1100 S. Willow Avenue</u>
c. <u></u>	<u>Cookeville, TN 38502-3067</u>	<u>Cookeville, TN 38501</u>
d. <u></u>		

*Attach a schedule if more space is required.

10. Is applicant a subsidiary? Yes If so, give name and address of Parent Company, and list all subsidiaries.
Yes or No

(1) Parent Company is Norwalk Furniture Corp., 100 Furniture Pkwy, Norwalk, OH 44857
Name Street City State Zip

(2) Its subsidiaries operating in the State of Tennessee are:

Name*	Office Address	City, State, Zip Code
a. <u>Norwalk Furn. Corp of TN.,</u>	<u>P. O. Box 3067,</u>	<u>Cookeville, TN 38502-3067</u>
b. <u></u>		
c. <u></u>		
d. <u></u>		

*Attach a schedule if more space is required.

11. Description of employment..... For year ending... 2006

Location in Tennessee (City)	Kind of Employment	Average number of employees in TN	Actual Payroll for all employees in Tennessee
<u>Cookeville</u>	<u>Manufacturing</u>	<u>98</u>	<u>\$ 2,630,365.57</u>
			\$
			\$
			\$
	TOTALS	<u>98</u>	<u>\$ 2,630,365.57</u>

12. Name and address of Person/Company administering claims in Tennessee: Brentwood Services Inc.,
P.O. Box 1125, Brentwood, TN, 37024-1125

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Analytical Unit

EXHIBIT
A-3

13. Past three-year Accident Experience	Year	2004	Year	2005	Year	2006
a. Number of deaths	#	-0-	#	-0-	#	-0-
b. Number of dismemberments	#	-0-	#	-0-	#	-0-
c. Number of temporary disabilities exceeding 7 days duration	#	9	#	8	#	6
d. Number of accidents of all kinds	#	35	#	19	#	14

14. In consideration of the approval of this application, the applicant hereby expressly agrees as follows:
- a. That this privilege may be revoked by the Commissioner of Commerce and Insurance, as provided in Tenn. Code Ann. § 50-6-405.
 - b. That the applicant, who is carrying catastrophe or excess coverage insurance, shall file a photocopy of the policy with the Department of Commerce and Insurance.
 - c. That the applicant shall file with the Commissioner an acceptable security amounting to at least five hundred thousand dollars (\$500,000).
 - d. That the employer will not solicit, receive or collect any money from employees or make any deduction from their wages for the purpose of discharging any part of the employer's liability under the Workers' Compensation Act and that the employer will not permit any person with the employer's knowledge to sell or try to sell medical or hospital tickets to the company's employees for medical, surgical or hospital treatment required by law to be furnished to injured employees.
 - e. When the applicant is a subsidiary company or a partnership, the Commissioner requires that the parent company, or any other company or persons holding stock in the applicant company, or a partner in the applicant partnership, shall give a satisfactory guarantee that the applicant will fully and promptly pay all sums which are or may become payable under the provisions of the Tennessee Workers' Compensation Law and under the terms of the agreement contained in this application.

15. Rating Agency: Indicate whether your company or parent company is rated by the following rating agencies:
 Yes No, and if YES, indicate present rating:
 Standard & Poors Corporation _____
 Moody's Investors Service, Inc. _____
 Dun & Bradstreet. NPC Corporate 4A2 DUNS# 004170791
 Other: _____

16. Loss Runs for the three latest calendar years valued as of December 31, 2006. (Attach copy of detailed loss runs.)

YEAR	INCURRED	PAID INDEMNITY	PAID MEDICAL	RESERVED	EXCESS RECOVERABLE
2004	\$187,516.43	68,248.97	\$72,803.86	\$9,636.83	\$-0-
2005	\$98,575.42	40,171.40	\$45,285.26	\$1.00	\$-0-
2006	\$55,907.64	9,642.03	\$5,792.86	\$33,756.71	\$-0-
TOTALS	\$341,999.49	118,062.40	\$123,881.98	\$43,394.54	\$-0-
Total reserve amount for all open claims since inception of self-insurance				\$179,655.74	
Total amount of excess recoverable on all open claims				\$-0-	

Signed Allan R. Stingley Self-Insured Employer
 By Allan Stingley
Vice President & COO
 (Official Position)

AFFIDAVIT

(The person subscribing the affidavit below should be the employer himself; or if the employer is a partnership, one of the partners; or if the employer is a corporation, its President, Vice-President, Secretary or Treasurer.)

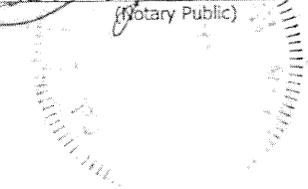
STATE of - Tennessee
Putnam, County

Allan R. Stingley first being sworn on oath, deposes and says that he/she is the person who signed the foregoing application for the employer therein named, and that he/she is acquainted with the affairs of said applicant employer, to which the representations and statements set forth in the foregoing application relate: that he/she has read said application, knows the contents thereof and that said representations and statements therein contained are true to the best of his/her knowledge, information and belief.

Allan R. Stingley (Affiant's Signature)
Vice President & COO (Official Position)

Subscribed and sworn to before me at Cookeville, this 29th day of January, A.D., 2007

Beverly Ann Dean
 (Notary Public)



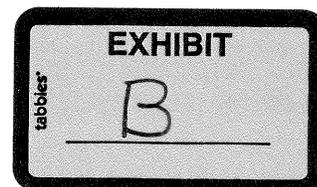
**BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE**

IN THE MATTER OF:)
)
NORWALK FURNITURE) **No.: 09-001**
CORPORATION OF TENNESSEE)
)

**ORDER CALLING BOND AND ESTABLISHING ACCOUNT AND TRANSFER
OF RECORDS FOR ADMINISTRATION OF BOND PROCEEDS**

This matter came before the Commissioner of the Tennessee Department of Commerce and Insurance (“Commissioner”) with respect to Norwalk Furniture Corporation of Tennessee (“Norwalk”), a business located in Tennessee that self-insured its workers’ compensation liabilities pursuant to Tenn. Code Ann. § 50-6-405 and Tenn. Comp. R. & Regs. 0780-1-83 from January 1, 1992 through July 1, 2007 (the self-insurance period). On July 1, 2007, Norwalk purchased a fully insured workers’ compensation policy through Wausau, an insurance company licensed in Tennessee, and surrendered its certificate of authority to be self-insured for workers’ compensation liabilities.

Pursuant to Tenn. Code Ann. § 50-6-405, prior to obtaining its certificate of authority to be self-insured, Norwalk was required to execute a bond to ensure its performance of all workers’ compensation liabilities. Norwalk executed such bond (number B002TN), effective January 1, 1992, with Midwest Employers Casualty Company (“MWECC”) named as the surety in the penalty amount of three hundred thousand dollars (\$300,000). Three (3) riders to the original bond were executed



increasing the amount of the bond to three hundred and fifty thousand dollars (\$350,000) on November 1, 1993; to five hundred thousand dollars (\$500,000) on January 1, 2004; and to nine hundred five thousand dollars (\$905,000) on November 15, 2005. By letter dated June 29, 2007, MWECC sent the Department notice of cancellation of the bond based upon Norwalk surrendering its certificate of authority to be self-insured for workers' compensation liabilities. After termination of the bond, MWECC remained liable for Norwalk's workers' compensation obligations that arose during the period Norwalk was self-insured, and on December 10, 2007, MWECC executed another rider that reduced the amount of the bond to five hundred thousand dollars (\$500,000).

On October 3, 2008, Norwalk's parent company, Norwalk Furniture Corporation ("Parent Company"), filed for Chapter 7 bankruptcy and all of its and its subsidiaries' assets reportedly were either sold or encumbered. Further, as of October 10, 2008, Norwalk ceased funding its workers' compensation claims account and its third-party administrator, Brentwood Services Administrators, Inc. ("BSA"), was no longer able to pay Norwalk's obligations. After finding that such circumstances caused Norwalk to become an "impaired employer" as defined in Tenn. Comp. R. & Regs. 0780-1-83-.02(8), the Commissioner provided notice by letter dated November 4, 2008, to MWECC of the call on the bond and the proceeds made pursuant to Tenn. Comp. R. & Regs. 0780-1-83-.15, which is being formalized by this Order.

Pursuant to Tenn. Code Ann. § 50-6-405(b) and (h), the Commissioner is authorized to administer the proceeds of the bond. In order to administer the bond, it is necessary to establish an account to facilitate the payment of Norwalk's current outstanding workers' compensation obligations arising under Tenn. Code Ann. §§ 50-6-

101, *et seq.* The Commissioner is also authorized to demand all records, data and information reflecting Norwalk's self-insured workers' compensation program. Further, the Commissioner is authorized to make payments for medical and indemnity expenses incurred by covered employees of the bond proceeds as well as to use the bond proceeds to or for the benefit of the covered employees and to approve the continued treatment of covered employees whose treatment would have been authorized by Norwalk, as identified by Norwalk's workers' compensation administrative staff. The Commissioner is also solely empowered by Tenn. Code Ann. § 50-6-405(b) to bring action to enforce the bond, and intends to bring such an action to obtain orders that will fully determine MWECC's obligations under the bond and set forth a Court-approved plan for administration of the bond proceeds.

Accordingly, it is hereby ORDERED that:

1. In contemplation of an action by the Commissioner in Davidson County Chancery Court to enforce the bond and to obtain orders in aid of the administration of the bond, MWECC remit proceeds of the bond in the amount of Seven Thousand Five Hundred Dollars (\$7,500) to the Commissioner to allow the Commissioner to pay Norwalk's outstanding medical and indemnity expenses incurred by covered employees until such time that the Chancery Court enforces the Department's calling of the bond. Any and all proceeds of the bond remitted by MWECC to the Commissioner shall reduce MWECC's outstanding penalty sum of five hundred thousand dollars (\$500,000) by an equivalent dollar amount.

2. An account or accounts be established to allow the Commissioner to deposit proceeds of the bond and to make payment of current medical and indemnity

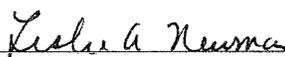
expenses incurred by covered employees of the bond proceeds as well as any and all fees and costs required to administer the disbursement of the bond proceeds to or for the benefit of the covered employees;

3. Norwalk make available to the Commissioner any and all records within its possession or the possession of its employees, affiliates, agents or any other party related to Norwalk's workers' compensation program; and,

4. As necessary and appropriate, continued treatment of covered employees shall be authorized by Norwalk, as identified by Norwalk's workers' compensation administrative staff.

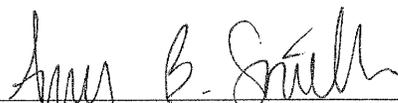
It is so **ORDERED**.

ENTERED this 26th day of January, 2009.



Leslie A. Newman
Commissioner
Department of Commerce of Insurance

PREPARED FOR ENTRY:



Amy B. Smith (BPR# 024713)
Assistant General Counsel
Department of Commerce and Insurance
500 James Robertson Parkway, Second Floor
Nashville, Tennessee 37243
(615) 532-6830

CERTIFICATE OF SERVICE

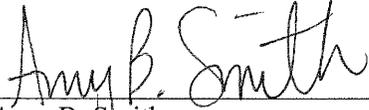
I hereby certify that a true and correct copy of the foregoing Order Calling Bond and Establishing Account and Transfer of Records for Administration of Bond Proceeds has been sent to:

Thomas Sandifer, Claims Attorney
Midwest Employers Casualty Company
14755 North Outer Forty Drive, Suite 300
Chesterfield, Missouri 63017
via United States Certified Mail, Return Receipt Requested
Receipt Number 7008 1140 0002 5992 7504

George Elmer, President and Agent for Service of Process
Norwalk Furniture Corporation of Tennessee
1100 South Willow Avenue
Cookeville, Tennessee 38501
via United States Certified Mail, Return Receipt Requested
Receipt Number 7008 1140 0002 5992 7511

Everett Sinor, General Counsel
Brentwood Services Administrators, Inc.
104 Continental Place, #200
Brentwood, Tennessee 37027
via United States Certified Mail, Return Receipt Requested
Receipt Number 7008 1140 0002 5992 7528

this the 27th day of January, 2009.



Amy B. Smith
Certifying Attorney

IN THE CHANCERY COURT OF THE STATE OF TENNESSEE
TWENTIETH JUDICIAL DISTRICT, DAVIDSON COUNTY

STATE OF TENNESSEE, *ex rel.* LESLIE A. NEWMAN)
in her official capacity as COMMISSIONER OF)
COMMERCE AND INSURANCE, on behalf of)
the employees of Norwalk Furniture Corporation of)
Tennessee (aka Norwalk Wood Products Division) for)
Tennessee self-insured workers' compensation)
benefits,)

Petitioner,)

vs.)

MIDWEST EMPLOYERS CASUALTY COMPANY,)
A Missouri domiciled insurance company, and)
NORWALK FURNITURE CORPORATION OF)
TENNESSEE, A Tennessee domiciled corporation.)

Respondents.)

*Re: Bond for Workers' Compensation Self-Insurance of)
Norwalk Furniture Corporation of Tennessee – for claims)
incurred January 1, 1992 to July 1, 2007.)*

No. _____

COPY

**ORDER TO SHOW CAUSE, SPECIALLY SETTING AN EARLY HEARING ON THE
PETITION FOR ORDER REQUIRING BOND COMPANY TO PAY BOND PENALTY
SUM AND TO DISCHARGE BOND, FOR ORDER OF ADMINISTRATION OF BOND
FUND AND INJUNCTIVE RELIEF; and
TEMPORARY ORDER PERMITTING COMMISSIONER TO EXPEND CERTAIN
BOND PROCEEDS FOR ONGOING BENEFITS; and
STAY OF WORKERS' COMPENSATION PROCEEDINGS**

This order is made upon ex parte consideration of the Verified Petition of the
Commissioner of Commerce and Insurance to require Bond Company Midwest Employers
Casualty Company to Pay Bond Penalty and to Discharge Bond, and Order of Administration of
Bond Fund and Related Injunctions, etc., respecting a Bond that secures workers' compensation
self-insurance liability of Norwalk Furniture Corporation of Tennessee (Norwalk/TN) under
Tenn. Code Ann. § 50-6-405 and the Request for Early Hearing and Relief, together with
supporting exhibits ("Verified Petition"), filed with the Court. This Court FINDS:

COPY

1) that such Verified Petition alleges that Norwalk/TN, a former Tennessee employer stopped paying any self-insured workers' compensation benefits in October 2008, and requests payment of the proceeds of bond for the outstanding self-insured Tennessee workers' compensation liability and equitable injunctive relief so that claims may be administered under the supervision of this Court; and further that the Commissioner attests that she holds a Bond of Midwest Employers Casualty Company (MWECC) for a total of \$500,000.00, of which \$7500 was demanded and received by the Commissioner out of the Bond to meet the payment of immediately owing workers' compensation benefits, that the Petition sets forth a reasonable, feasible, and compelling request to continue the Commissioner's temporary authority to administer such funds on hand to authorize and pay for temporary medical benefits and other immediate benefits in ordinary course to prevent irreparable harm to the employees, to stand until further order of this Court after entry of an order after hearing on the Verified Petition;

2) that the Respondent MWECC is a bonding company that should promptly respond whether it agrees with the relief requested in the Verified Petition that the bond penalty sum should be paid over to the Commissioner to supply Norwalk/TN's outstanding workers compensation benefits and to fully discharge the Bond, and both MWECC and Norwalk/TN should be given an opportunity to respond whether there is any objection to the injunctive relief and administrative receivership procedure of the Commissioner for use of the bond proceeds set forth in the Verified Petition;

3) that affected Norwalk/TN employees are not required by the Verified Petition to answer the Petition in order to claim on the funds to be held by the Commissioner, but will be affected by the plan as to how and by whom the Bond will be administered, but that it is

appropriate that any activity in their claims should be stayed pending the ruling on the administration of the Bond, and

4) that the Commissioner's request for an expedited hearing on the Verified Petition should be granted to assess quickly whether the Bond penalty sum shall be paid over by MWECC leading to discharge of the MWECC bond, and whether Norwalk/TN has any opposition to that relief, or to cooperation with the resulting administration of the Bond Fund, any interested parties oppose the Verified Petition to set up the procedure for receiving claims for Norwalk/TN's Tennessee workers' compensation benefits.

Accordingly, a prompt hearing is appropriate in this matter and good cause has been established for the following order:

IT IS HEREBY ORDERED THAT the hearing on the Verified Petition shall be heard on _____, 2009 at _____ (central time) in Part ____ of this Davidson County Chancery Court, Metro Courthouse, Courthouse Square, Nashville, TN, to consider whether this Court should grant the Petition, to administer funds, as set forth in the Prayer of the Commissioner's Petition, and the related injunctions to protect the administration of the Bond Funds. At such time the Respondents or any persons who may wish to object to the procedure to administer this case shall show cause why the Order should not be granted as requested by the Commissioner. The Court will not determine any specific person's entitlement to an award of benefits from the fund to be held by the Commissioner at this hearing, but only whether the requested administrative relief will be granted. Any objections should be filed in writing prior to the hearing with the Clerk & Master of this Court before the close of business on _____, 2009, and a copy delivered to the counsel for the State, Sarah A.

Hiestand, Senior Counsel, Financial Division, Attorney General's Office, P.O. Box 20207,
Nashville, TN 37202.

IT IS FURTHER TEMPORARILY ORDERED, that, until an order is entered by this Court ruling upon the Verified Petition, the Commissioner shall be permitted to continue to administer such funds that she already possesses from the bond, or which may be paid by MWECC, to authorize and pay for temporary medical benefits and other previously authorized immediate benefits in ordinary course to prevent irreparable harm to the employees, and to seek records and data as needed for this proceeding;

IT IS FURTHER TEMPORARILY ORDERED, that, until any further order is entered by this Court ruling upon the Verified Petition and adopting a specific plan for administration of the Bond, any state workers' compensation actions or proceedings with respect to self-insured claims of Norwalk/TN's employees shall be stayed, so as to protect the orderly Bond administration that is being sought in the Verified Petition from the irreparable harm of potentially undefended actions, and the Commissioner shall cause notice of this temporary order to be given to any person or entity that is learned to be taking or attempting to take such action.

Notice by copy of this Order setting Hearing and the Verified Petition shall be served by Petitioner's counsel on each Respondent and notice parties set forth in the Service list to the Petition. Proof of service shall be filed at or before the hearing date by Petitioner's counsel.

IT IS SO ORDERED.

CHANCELLOR

Approved for entry by:

ROBERT E. COOPER, JR.
Attorney General

A handwritten signature in cursive script, appearing to read "Sarah A. Hiestand". The signature is written in dark ink and is positioned above the printed name of the signatory.

SARAH A. HIESTAND (14217)
Senior Counsel, Financial Division
Office of the Attorney General
P.O. Box 20207
Nashville, TN 37202-0207
(615) 741-6035; fax 615-532-8223
Attorney for Petitioner Leslie A. Newman,
Commissioner, Tennessee Department of Commerce and Insurance