

August 7, 2023

Via Email & Federal Express

Mr. Russell Doles  
Federal Programs Development Director  
North Carolina Department of Commerce  
Division of Workforce Solutions  
**ATTN:** Rapid Response Team  
4316 Mail Service Center  
Raleigh, NC 27699-4316  
Email: [RDoles@commerce.nc.gov](mailto:RDoles@commerce.nc.gov)

Re: *WARN Act Notice*

Dear Mr. Doles:

This letter will serve as notice pursuant to the Worker Adjustment and Retraining Notification Act of 1988 ("WARN"), 29 USC § 2101 et seq. (as locations are covered) that Klaussner Furniture Industries, Inc. and its direct and indirect subsidiaries (collectively, "Klaussner" or the "Company") expects to permanently close all of its facilities in North Carolina, which are located at the addresses listed in the chart below.

The Company's lending source has unexpectedly refused to continue to fund the Company's operations. This outcome was not reasonably foreseeable, but due to these unexpected circumstances the Company can no longer sustain the operations. As a result, the Company has made the difficult decision to cease operations and is providing as much notice as possible.

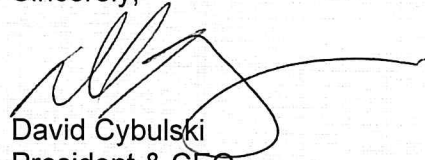
The Company anticipates that it will entirely close all of its facilities in North Carolina (as listed below). As the result of this pending closure, The Company expects that the employment of all employees at the indicated facilities will end beginning on August 7, 2023 and terminations are anticipated to continue through August 21, 2023. No bumping rights exist for these impacted employees.

Facility Location	# of Employees Impacted
2206 Dumont St., Asheboro, NC 27205	26
405 Lewallen Rd, Asheboro, NC 27205	556
4400 U.S. Hwy 220 S, Asheboro, NC 27205	64
4402 US Hwy 20 S, Asheboro, NC 27205	15

905 NC Hwy 49 S, Asheboro, NC 27205	127
907 NC Hwy 49 S, Asheboro, NC 27205	38
68 Industrial Road, Candor, NC 27229	58

Should you have any other questions, please contact Philip Waddell, Chief Human Resources Officer, at 336-328-8724.

Sincerely,



David Cybulski  
President & CEO  
Klaussner Furniture Industries, Inc.