

Exhibit A

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

CENTRAL STATES, SOUTHEAST AND)	
SOUTHWEST AREAS PENSION FUND,)	
and HOWARD McDOUGALL, as Trustee,)	
)	
Plaintiffs,)	Case No. 10-CV-5059
)	
v.)	Judge Castillo
)	
SOUTHCO AUTO PARTS, INC., a Missouri)	Magistrate Judge Mason
corporation,)	
)	
Defendant.)	

AFFIDAVIT OF ANDREW SPRAU

I, Andrew Sprau, having been fully sworn and upon my oath, depose and state as follows:

1. I am an adult and am otherwise competent to give evidence. I have personal knowledge with respect to the facts set forth in this Affidavit and would be competent to testify as to these facts if called as a witness in this matter.

2. I am responsible for managing the efforts to collect withdrawal liability for Central States, Southeast and Southwest Areas Pension Fund (“the Pension Fund”), including monies owed by Defendant Southco Auto Parts, Inc., a Missouri corporation (“Southco”). I have maintained a file related to amounts owed by Southco. The file is under my dominion and control.

3. The Pension Fund is a multiemployer pension plan within the meaning of 29 U.S.C. §§1002(37) and 1301(a)(3), and an employee benefit plan within the meaning of 29 U.S.C. §1002(3). Plaintiff Howard McDougall, Trustee, is a present trustee of the Pension Fund and is a plan sponsor of the Pension Fund under 29 U.S.C. §1301(a)(10)(A).

4. Southco has at all times relevant been bound by a collective bargaining agreement executed between itself and Local Union No. 618 of the International Brotherhood of Teamsters. Pursuant to that agreement, Southco agreed to pay contributions to the Pension Fund on behalf of certain covered employees.

5. The Pension Fund determined that on or about December 31, 2009, Southco permanently ceased its covered operations, thereby ending its participation in the Pension Fund and effecting a “complete withdrawal” as that term is defined in 29 U.S.C. §1383. As a result of the complete withdrawal, Southco incurred withdrawal liability to the Pension Fund in the principal amount of \$344,695.47, as determined pursuant to 29 U.S.C. §1381(b).

6. On or about April 21, 2010, Southco received a notice and demand for payment of withdrawal liability issued by the Pension Fund in accordance with 29 U.S.C. §1382(2) and 1399(b)(1). The notice and attached invoice notified Southco that it was required to discharge its withdrawal liability in a single lump-sum payment of \$344,695.47 due on May 1, 2010, pursuant to 29 U.S.C. §1399(c)(5)(B), and Appendix E of the Pension Fund’s Plan Document.

7. Pursuant to 29 U.S.C. §§1399(c)(2) and 1401(d), withdrawal liability payments must be made in accordance with the schedule set forth by the plan sponsor. However, Southco failed to remit its payment to the Pension Fund in accordance with the notice.

8. On or about May 24, 2010, the Pension Fund received a request for review of the Pension Fund’s withdrawal liability assessment, submitted by Southco’s attorney pursuant to 29 U.S.C. §1399(b)(2)(A).

9. Southco’s request for review was presented to the Pension Fund’s Board of Trustees at their June 8, 2010 meeting. The Trustees denied Southco’s request for review and

reaffirmed the withdrawal liability assessment. On or about June 10, 2010, Southco received notice of the Trustees' decision pursuant to 29 U.S.C. §1399(b)(2)(B).

10. Subsequently, Southco did not timely initiate arbitration pursuant to 29 U.S.C. §1401(a)(1). Consequently, the amounts demanded by the Pension Fund are due and owing pursuant to 29 U.S.C. §1401(b)(1). Southco has failed to make the required withdrawal liability payment to the Pension Fund and thus fell into default within the meaning of 29 U.S.C. §1399(c)(5).

11. Under 29 U.S.C. §1451(b), the failure to make withdrawal liability payments when due is treated in the same manner as a delinquent contribution under 29 U.S.C. §1145. Under 29 U.S.C. §1132(g)(2), the Pension Fund is entitled to delinquent withdrawal liability payments, interest, an amount equal to the greater of the interest or liquidated damages as provided under the plan in an amount not in excess of 20% of the delinquent withdrawal liability payments, reasonable attorneys' fees and costs, and such other relief as the Court deems appropriate.


12. Under 29 U.S.C. §1132(g)(2), interest is computed and charged at the rate set by the Pension Fund's Plan Document. The Plan computes and charges interest at an annualized interest rate equal to 2% plus the prime interest rate established by the JPMorgan Chase Bank, NA for the 15th day of the month for which interest is charged. Southco owes the Pension Fund \$6,786.18 in interest through September 15, 2010.

13. Under 29 U.S.C. §1132(g)(2), the Pension Fund is entitled to the greater of interest on the delinquent withdrawal liability or liquidated damages of up to 20% of the delinquent withdrawal liability under the Pension Fund's Plan, which provides for liquidated

damages in the amount of 20% of the unpaid withdrawal liability payments. Southco owes the Pension Fund \$68,939.09 in liquidated damages.

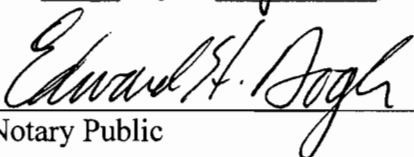
14. Under the terms of the Pension Fund's Plan, the Pension Fund is entitled to post-judgment interest on the entire judgment balance at an annualized interest rate equal to 2% plus the prime interest rate established by the JPMorgan Chase Bank, NA for the 15th day of the month for which interest is charged, and shall be compounded annually.

FURTHER AFFIANT SAYETH NAUGHT.



Andrew Sprau

Subscribed and sworn to before me,
a Notary Public of the State of Illinois,
this 15th day of September, 2010.



Notary Public

