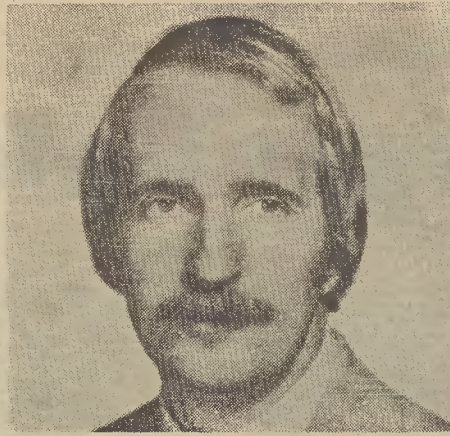


JAN VINCENT



WILDON FLAKE



J. M. STROTHER

Organizational Changes Announced

Promotions in the rug and carpet manufacturing division have been announced by William O. Stone, division vice president.

Wildon C. Flake, Jr., plant manager of the Laurelcrest Carpet Mill, was promoted to general manager of the Whiteville Plant in Whiteville.

Jan S. Vincent, plant manager of the Karastan Worsted Plant in Greenville, was promoted to plant manager of the Laurelcrest Yarn Mill at Laurel Hill.

Joseph M. Strother was promoted from quality control supervisor at the Laurelcrest Yarn Mill to plant manager of the Karastan Worsted Plant.

Mr. Flake is a graduate of North Carolina State University with a B.S. degree in textiles. Before joining Fieldcrest in August, 1974, he was a plant manager for five years for the Collins & Aikman Carpet Division in Dalton, Ga. He earlier was engaged in industrial engineering work for several years.

Mr. Vincent attended East Carolina

University, studying business administration, and has been with Fieldcrest's two Greenville plants since 1965. He served in a number of supervisory positions and was plant manager of the Karastan Spinning Mill for three years before becoming plant manager of the Karastan Worsted Plant in August, 1976.

Mr. Strother is a graduate of the

University of North Carolina at Chapel Hill with a B.S. degree in business administration. He joined Fieldcrest in 1969 and served as a staff assistant at the Karastan Rug Mill at Eden and the Karastan Spinning Mill. He was a general foreman and worked on special assignments at Greenville before becoming a quality control supervisor at the Laurelcrest Yarn Plant.



VAN COVINGTON

New V.P.

Van A. Covington, Jr., will assume his duties at Fieldcrest May 1 as division vice president - purchasing.

He previously was with Springs Mills, Inc. in Fort Mill, S. C. as director of purchasing and before that was assistant director of purchasing at Burlington Industries, Greensboro.

He earlier was with his father's firm, Covington Co., cotton merchants in Gastonia, and was associated with LaFar Industries, Inc. in Gastonia prior to joining Burlington.

Credit Union Offers Many Good Benefits

If you are not a member of the Credit Union, you are invited to join.

If you are already a member, you are urged to take full advantage of the high interest rate paid on savings and the low rate charged on loans.

The Credit Union is planning a special campaign to acquaint employees with the opportunities offered for saving and borrowing at the Credit Union. Informational material will be distributed to all employees. Non-members will be invited to join and members will be encouraged to make greater use of the Credit Union.

The Credit Union currently pays a seven percent per year dividend on savings, one of the highest rates obtainable from any lending agency. In addition, savers have easy access to their money and both savings and repayment of loans are conveniently handled through payroll deductions.

These attractive rates are possible because the Credit Union has only three full-time employees, because Fieldcrest does not charge for the office space used by the Credit Union and because the company does not charge for the time that many other employees spend on Credit Union work.

Each savings account is insured for up to \$50,000 by the North Carolina Savings Guaranty Corporation, more insurance than that provided by any other known financial institution.

All loans from the Credit Union include life insurance at no cost to the borrower. Almost all outside lenders charge an additional one percent for life insurance. Some lending agencies have several interest rates for different type loans. While their rate may be as low as the Credit Union's, life insurance is usually extra.

Also, most institutions equaling the seven percent rate usually require that savings be tied up for at least 12 months and be in amounts of \$1,000 or more. No known institution pays better than the Credit Union's seven percent semi-annual dividend on any amount from \$5 up if the savings are left for at least six months.

"We had 9,555 members at the end of 1976. That's 82 percent of those eligible to join," said L.E. Chewning, president of the Credit Union. "We are hoping that many more will be added during the campaign. Also, we want employees to think of the Credit Union first when they need to borrow money and when they are looking for a place where they can obtain a good return on their savings."

Know Your Benefits

What About Individual Retirement Accounts?

(This is the third in a series of articles answering the most commonly asked questions about Fieldcrest pension plans. By law, participating members of the plans are not eligible to establish Individual Retirement Accounts. Although they are really just a personal savings account with tax advantages and are of generally more interest to those in higher income brackets, the following summary may be of interest.)

Q. I've been reading about Individual Retirement Accounts. Can you explain how they work?

A. The simplest kind of Individual Retirement Account (IRA) is a trust fund at some institution such as a bank, savings and loan association or insurance company. There are also IRAs in the form of insurance company annuities and retirement funds which can be purchased from Federal Reserve Banks and branches of the Department of the Treasury.

In an Individual Retirement Account, a person may invest up to \$2,000 or 15 percent of his or her gross

income per taxable year, whichever is less. The money invested is not taxed on federal income tax returns until the funds are taken from the account, normally years later at retirement.

Q. Who is eligible to set up such an account?

A. IRAs are not designed for people who are covered by a pension plan provided by their employer, such as Fieldcrest employees who have had a company plan for nearly 35 years. The IRAs are intended to apply to self-employed persons and those people who work at companies that do not provide pension plans for their employees.

Q. If I withdrew from our plan, could I set up my own retirement account?

A. Fieldcrest Mills, Inc. has contributed substantial amounts of money to the pension plan provided for ALL hourly employees. Since the entire cost of the plan is borne by the company, all hourly employees are automatically members and automatically draw benefits at

retirement. The option to withdraw from the plan has not been made available since hourly employees do not contribute to the plan.

Salaried employees do contribute to their plan and may withdraw, since membership is optional. Because this retirement package contains valuable benefits in addition to retirement income, such an election would be of questionable value.

Q. Does that mean that the federal law does not permit Fieldcrest employees to have Individual Retirement Accounts?

A. The federal law passed in 1974 does not allow employees to establish IRAs if they are already active participants in a plan that has been approved by the Internal Revenue Service. However, modifications in the law governing IRAs have been proposed. It is possible that at some future time limited Individual Retirement Accounts may be permitted any employee in addition to participation in pension plans provided by employers.