

INVESTMENT DECISIONS

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Tax Exempted Securities

Generally speaking, a tax-exempt security is an obligation of a state, municipality, or local government. It is so named because interest paid to the holder of this debt instrument is exempted from federal income taxes. This privilege however, does not apply to profits established via purchase and sale of these securities, nor does it necessarily apply to state and local income tax laws upon receipt of interest. Typically, the exemption from taxes will apply in full only if a state resident buys an obligation issued by that state or by a municipality within that state.

The tax privilege is an especially attractive one for individuals or institutions in high Federal tax brackets. A taxpayer in the 50 percent bracket must seek a taxable yield twice that which is necessary for a comparable return on tax-exempted bonds to retain an equal number of dollars. To illustrate: Interest paid on an ordinary corporate bond (\$1,000 face amount) with a 5 percent coupon rate equals \$50 annually. However the investor in a 50 percent bracket must pay 50 percent of the \$50 in federal taxes, leaving him with a net of \$25. If he purchases a tax-exempted bond with a 2 1/2 percent coupon rate, his annual interest is \$25, but it is his tax free.

To calculate comparable yield required on a taxable

investment so as to provide an equal number of dollars for persons holding tax exempted securities, the procedure is to take the difference between the investor's tax bracket and 100 percent and divide that into the tax exempted yield.

Although Munis are instrumentalities of a government, they do not have equal ranking with the U.S. Government's willingness and ability to pay interest and principal. The U.S. Government has sovereignty and an unlimited power of taxation. While state governments generally have similar powers, municipalities and local governments certainly do not. Therefore, these obligations ordinarily carry lower credit ratings as a result. All other factors being equal, lower ratings mean higher yields for investors, to compensate them for the greater risk involved, as minor as it may be.

The two most common sub-classifications of Tax Exempted securities are General Obligations (GO) and Revenue Bonds. General Obligations pledge the good faith and full taxing power of the issuer to pay interest and repay principal on the dates indicated in the agreement. Revenue bonds pledge only the income from a particular project, financed with capital raised on the sale of that issue, to satisfy interest and principal requirements.

North Carolina Mutual Announces Promotions

Four administrative appointments and promotions at North Carolina Mutual Life Insurance Company were announced recently by W.J. Kennedy III, NCM president and chief executive officer.

Harold R. Davis, CLU-FLMI, regional agency director, named agency director-elect. He will assume his new duties January 1, 1978.

A native of High Point, Davis joined NCM in 1947 as an agent on the company's High Point District. He was later transferred to Goldsboro as manager and in 1969, he was brought to the Home Office and named assistant agency director. He was appointed regional agency director for North and South Carolina in 1971.

Davis was awarded the Chartered Life Underwriter designation in 1970 and the Fellow, Life Management Institute designation in 1976.

Connie H. Watson Jr., CLU, assistant agency director, named associate agency director. A native of Charlotte, Watson graduated from NCCU and joined NCM in 1958 as an agent on the Charlotte District.

He is a former manager of the firm's Richmond and Newport News districts. He was transferred from Richmond and brought to the Home Office in January 1976 and named assistant agency director.

Watson received his Chartered Life Underwriter designation in 1975. David L. Cooper named assistant to the general counsel. A native of Elizabethtown, he received the BA and JD degrees from NCCU. He joined the company in January 1977.

Cooper is a member of the North Carolina Bar Association and Phi Alpha Delta law fraternity.

Marvin L. Dyson, field training supervisor, named training assistant. A native of Telmore, Ga., Dyson graduated from Fort Valley State College.

He joined the company in 1970 after previously serving as a high school teacher and coach. Prior to being named field training supervisor, Dyson had been an agent and a staff manager on the company's Albany District.

Good News Miracles To Distribute Clothing

A trip to Haiti to distribute food and clothing to the needy of that country is being sponsored by The Good News of Miracles Outreach of Noah's Ark. Spearheaded by Evangelist Frankie Johnson, who has made several previous trips of this kind to Haiti, the trip will begin October 24. Anyone wishing to donate money, clothing or dried beans or rice may call 377-1646, 394-6246 or 399-1249. Or you may bring your gifts or donations to 403 North Tryon Street, The Professional Center, Suite 412. Checks may also be mailed to P.O. Box 382, Charlotte, 28201. They should be made out to Good News of Miracles. Ms. Queen-Estelle Thomp-

son, president of Good News of Miracles, is assisting in the presentation of the trip but will be unable to accompany Evangelist Johnson due to a prior commitment to attend a four day seminar at Oral Roberts University Oct. 27-30.

Merchants Who Advertise In The Post Are Telling You They Appreciate Your Business.



PIC 'N PAY FUTURE HEADQUARTERS/WAREHOUSE

Pic 'N Pay Breaks Ground For New \$4.3 Million Facility

Pic 'N Pay Stores, Inc. (AMEX) officially broke ground today for the construction of a new expanded headquarters-warehouse facility in Matthews, North Carolina, at an estimated cost of \$4.3 million. The new complex, on a 44-acre tract approximately a half mile from the company's present facility in Matthews, will consist of a fully automated 200,000-square-foot warehouse and distribution center and an 80,000-square-foot administration building representing Pic 'N Pay's national corporate headquarters.

According to Albert G. Segal and Alvin E. Levine, chairman and president of Pic 'N Pay, respectively, who officiated at the groundbreaking ceremonies, the warehouse and distribution center should be completed and on stream by next summer, with the administration building to be occupied soon thereafter.



Albert G. Segal and Alvin E. Levine

In a joint statement, they said: "It is appropriate that we make this move in our 20th

Anniversary year. The Charlotte area has been home to us these past decades, and we never considered moving our operations elsewhere. We have outgrown our present facilities, and this new complex, which will be one of the most modern and efficient in the retail footwear industry.

Pic 'N Pay, the largest self-service shoe chain in the Southeast with 366 units, expects to have more than 400 stores in operation by the end of its June 1978 fiscal year.

Puppetry Guild

To Appear At

Spirit Square

On Sunday, October 23, at 1 p.m. in Spirit Square, 110 East 7th Street, the Puppetry Guild of the Carolinas will present "The Day of the Puppet" an all free fun filled afternoon for both young and old.

There will be free puppet shows galore, exhibits of old and new puppets, free puppet making workshops, sales booth where puppets and puppet items may be purchased.

Merchants Who Advertise In The Post Are Telling You They Appreciate Your Business. Patronize Them.

North Carolina State Bar

To Hold 44th Annual Meeting

The North Carolina State Bar announced here Tuesday that its forty-fourth Annual Meeting will be held Friday, Oct. 28 at Charlotte's Radisson Plaza Hotel, according to State Bar President George J. Miller of Charlotte.

"We've been working for several months putting together what hopefully will be one of the most interesting and well-attended annual meetings in the history of the State Bar," said Miller.

Highlighting the week-long activities will be addresses by U.S. Attorney General Griffin B. Bell; American Bar Association President William B. Spann, Jr.; U.S. Senator Robert B. Morgan Jr.; N.C. Governor James B. Hunt Jr.; and N.C. Attorney General Rufus L. Edmisten.

Bell, Morgan and Hunt are scheduled to speak on Friday. Edmisten will speak at a luncheon on Thursday, and Spann is slated to address the attorneys at their Annual Dinner Thursday evening.

A native of Georgia, Bell was sworn in as the nation's 72nd Attorney General on January 26, 1977. Prior to taking office he was a partner in the Atlanta law firm of King and Spalding. Before that, he was a U.S. Court of Appeals Judge in the Fifth Judicial Circuit.

Spann is also a native of Georgia. He is a partner in the Atlanta law firm of Alston, Miller and Gaines. He took the oath of office as President of the American Bar Association on August 11, 1977 and his term of service will continue through August 1978.

At 10 a.m. Thursday, Oct. 27, the Council of the State Bar, which is the organization's 34-man governing body, will hold its quarterly meeting. During this session the Councilors will deal with a number of important issues including lawyer advertising.

Following the panel discussion, the North Carolina State Bar will hold a luncheon honoring lawyers licensed to practice law for fifty years or more, hosted by the Lawyers Title Insurance Company of North Carolina.

The week's activities will end on Friday with the election of State Bar officers for the 1977-78 year.

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EVENT PRICE \$738

ADDITIONAL TABLE LEAVES AVAILABLE

DINING SUITE

Selected pecan veneer. Mappa Burl and pecan lumber. Glass have imported chair backing.

TABLE - 44" x 66" x 29" H
REG. PRICE \$389.00
EVENT PRICE \$210

SIDE CHAIR - 43" HIGH
REG. PRICE \$115.75
EVENT PRICE \$63

ARM CHAIR - 43" HIGH
REG. PRICE \$129.00
EVENT PRICE \$70

BUFFET

Crafted of Mappa Burl and selected pecan lumber and pecan veneer. Adjustable shelf behind each set of doors. 57" x 18" x 29" H.

REG. PRICE \$478.00
EVENT PRICE \$259

PEDESTAL TABLES ALSO AVAILABLE



GROUP EVENT PRICE \$1099

7 GROUPS AVAILABLE

CHINA CABINET

China has glass shelves sealed beam lighting. Left lined silver drawer. Adjustable shelf behind door. 48" x 17" x 77" H.

REG. PRICE \$744.50
EVENT PRICE \$474

DINING SUITE

Black slate laminate top and drop leaves framed with pecan lumber. Full lined silver drawer. 60" x 20" x 32" H.

REG. PRICE \$186
EVENT PRICE \$73

REG. PRICE \$135.75
EVENT PRICE \$80

4 GROUPS AVAILABLE

WALL UNIT

Crafted of Mappa Burl, selected pecan lumber floor base. 3 drawer unit. 2 dr. lower unit. Glass door. 60" x 20" x 32" H. with sealed beam lighting.

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Wednesday, October 19 Thru Sunday, October 23 Daily: 10 AM - 8 PM And Sunday: 12 N-6 PM
Tuesday, October 18 Thru Saturday: October 25 Daily: 10 AM-8PM

BEWARE!

This Coupon Entitles You To 50¢ Off At The Haunted House Of Morehead-East!

Adm. \$1.00 W/ Coupon
Kids under 12 get in for 50¢ with coupon.

Oct. 21 - Halloween SUNSET 'TIL 10PM
511 E. Morehead St. Across from Stoneenge