Coats North America

Coats North America
Two LakePointe Plaza
4135 South Stream Boulevard
Charlotte, North Carolina 28217
Telephone: 704/329-5902
FAX: 704/329-5970

Ronald V. Budnick
Senior Vice President
Finance/Administration

2520042391578

February 18, 2000

VIA CERTIFIED MAIL

Top Hat Plan Exemption
Pension and Welfare Benefits Administration
Room N-5644
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, D.C. 20210

Dear Sir or Madam:

In compliance with the requirements of the alternative method of reporting and disclosure under Part 1 of Title I of the Employee retirement Income Security Act of 1974 (the "Act" for unfunded or insured pension plans for a select group of management or highly compensated employees, specified in Department of Labor regulations 29 C.F.R. § 2520.104-23, the following information is provided by the undersigned employer:

Name and Address of Employer:

Coats American, Inc.
Two LakePointe Plaza
4135 South Stream Boulevard
Charlotte, NC 28217

Employer Identification Number: 13-4924750

Coats American, Inc. maintains the following plan (or plans) primarily for the purpose of providing deferred compensation for a select group of management of highly compensated employees:

One Plan covering 1 employee
One Plan covering 2 employees

In accordance with Section 104(a)(1) of the Act, copies of the plan documents will be provided to the Department of Labor upon request.

Sincerely,



Ronald V. Budnick
Senior Vice President
Finance and Administration

/ps

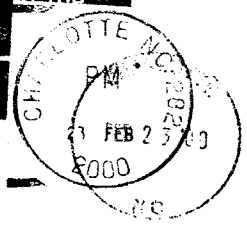
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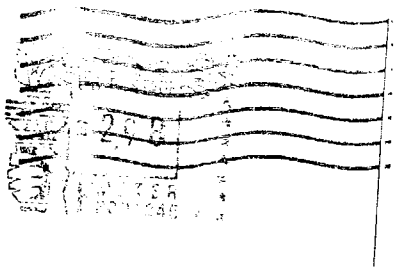
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CERTIFIED

Z 232 659 389

MAIL





TOP HAT PLAN EXEMPTION
PENSION AND WELFARE BENEFITS ADMINISTRATION
RM N-5644
U S DEPT OF LABOR
200 CONSTITUTION AVE NW
WASHINGTON DC 20210