

Watts & Scobie

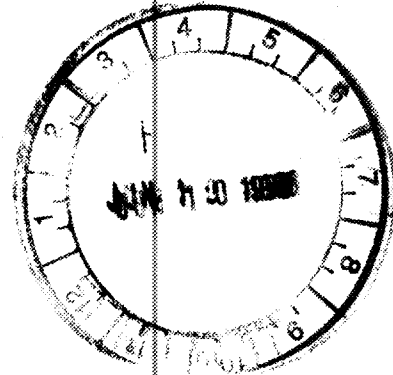
CERTIFIED PUBLIC ACCOUNTANTS 5100 Oak Park Road, Raleigh, North Carolina 27612 (919) 787-1705 Fax (919) 781-6770
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Walter A. Watts (1906-1989)
David E. Scobie
Jo Ellen B. Loy
Renata G. Lynn

May 30, 1996

Pension and Welfare Benefits Administration
U.S. Department of Labor
Washington, D.C. 20216



Dear Sir:

EIN 56-0228250

Following is a statement of disclosure for an executive pension plan subject to alternative reporting method.

The Grand Lodge of A.F. & A. M. of N.C. (employer), P.O. Box 6506, Raleigh, N.C. 27628, maintains a plan primarily for the purpose of providing deferred compensation for a select group of management. An EIN for the plan has been applied for and is pending. There is one plan and one employee currently covered by the plan.

If there are any questions in regards to this plan please contact my office.

Sincerely,

WATTS & SCOBIE, CPAs

David E. Scobie

David E. Scobie, CPA
Partner

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Scobie Account
1-919-787-1705