

THE DEPOSITORY TRUST COMPANY

IMPORTANT

B#: 0096

DATE: June 8, 2000

TO: ALL PARTICIPANTS

FROM: DTC PROXY DEPARTMENT

ATTENTION: PROXY/REORGANIZATION MANAGER

SUBJECT: Martin Color-Fi, Inc.
CUSIP # 573183 10 0

Martin Color-Fi, Inc., is soliciting acceptances of its Amended Plan of Reorganization, dated May 17, 2000 (the "Plan"). Holders of Martin Color-Fi, Inc. Common Shares of record on May 17, 2000, are eligible to vote by ballot to accept or reject the Plan.

Accompanying the Amended Disclosure Statement dated May 17, 2000 and other materials for voting on the Plan is the attached Order, which refers to a hearing on confirmation of the Plan, which is scheduled to be held on June 26, 2000. DTC also received the attached Ballot. Participants may obtain copies of the materials for voting on the Plan by contacting:

G. William McCarthy of
Robinson, Barton, McCarthy & Calloway, P.C.
At 803-256-6400

DTC will provide Martin Color-Fi, Inc., with a listing of the Participants which had the Common Shares on deposit with DTC at the close of business on May 17, 2000, so that the Participants may vote on the Plan.

Participants are referred to the Amended Disclosure Statement dated May 17, 2000 for a statement of the terms of the Plan.

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Participants are advised that acceptances or rejections of the Plan must be received by The Bankruptcy Court no later than June 21, 2000. Executed ballots should be returned to:

United States Bankruptcy Court
P.O. Box 1448
Columbia, S.C. 29202

Martin Color-Fi, Inc., Common Shares will remain eligible at DTC during the solicitation.

Participants are referred to RIPS Envelope 93 and LENP for details of the Plan.

Karl Baker

Manager

Attachments

0096.PXY

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

FILED

at ___ O'clock & ___ min ___ M

MAY 19 2000

BRENDA K. ARGOE, CLERK
United States Bankruptcy Court
Columbia, South Carolina (7)

IN RE:)
)
MARTIN COLOR-FI, INC.,)
a South Carolina corporation,)
Tax ID#: 57-0879569)
PO Box 469)
Edgefield, SC 29824)
Debtor(s).)

CHAPTER 11
CASE NO: 98-10145-W

ENTERED

MAY 19 2000

S. R. P.

IN RE:)
)
STAR FIBERS, CORP.,)
a South Carolina corporation,)
Tax ID#: 57-0879569)
PO Box 469)
Edgefield, SC 29824)

CHAPTER 11
CASE NO: 98-10144-W

ORDER

1. APPROVING DISCLOSURE STATEMENT;
2. FIXING LAST DAY FOR FILING BALLOTS;
3. FIXING LAST DAY FOR FILING WRITTEN OBJECTIONS TO CONFIRMATION;
4. FIXING HEARING DATE FOR CONFIRMATION PLAN.

A disclosure statement under Chapter 11 of the Bankruptcy Code having been filed by the Debtor, on March 24, 2000 and addendum filed on May 18, 2000 referring to a plan under Chapter 11 of the Code filed by the Debtor, on March 24, 2000 [if appropriate, as modified by a modification filed on May 17, 2000]; and

It having been determined after hearing on notice that the disclosure statement contains adequate information:

IT IS ORDERED, and notice is hereby given, that:

- A. The disclosure statement filed by the Debtor on March 24, 2000 and addendum filed by the Debtor on May 18, 2000 are approved.
- B. June 21, 2000 is fixed as the last day for filing ballots accepting or rejecting the plan referred to above. Ballots accepting or rejecting the plan shall be counted only if received by the Clerk of the Bankruptcy Court on or before June 21, 2000. A copy of each ballot should also be served upon the proponent of the plan.

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- C. On or before May 26, 2000, the amended plan dated May 17, 2000, the order approving the disclosure statement, the disclosure statement, the addendum to disclosure statement, and a ballot conforming to Official Form 14 shall be mailed to creditors, equity security holders, and other parties in interest, and shall be transmitted to the United States Trustee, as provided in Federal Rule Bankruptcy Procedure 3017(d).
 - D. If acceptances are filed for more than one plan, preferences among the plans so accepted may be indicated.
 - E. The hearing on the confirmation of the plan will be held on **June 26, 2000 at 9:30 AM in the United States Bankruptcy Court, Courtroom, 1100 Laurel Street, Columbia, South Carolina.**
 - F. June 21, 2000 is fixed as the last day for filing and serving, pursuant to Bankruptcy Rule 3020(b)(1), written objections to the confirmation of the plan. All parties filing objections must comply with Local Bankruptcy Rule 9014-4, and any party failing to do so may be denied the opportunity to appear and be heard.

Any objections to the confirmation of the plan must be in writing, filed with the Clerk of the Bankruptcy Court, and served upon the attorney for the debtor(s), whose address is set forth below, on or before June 21, 2000.

The court may, for cause shown, at the confirmation hearing extend the time for filing acceptances or rejections of the plan or permit a creditor or equity security holder to change or withdraw an acceptance or rejection of the plan.

The confirmation hearing may be adjourned from time to time without further notice to creditors or other parties in interest by an announcement of such adjournment at the hearing.



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JOHN E. WAITES
United States Bankruptcy Judge

Columbia, South Carolina

MAY 19 2000

NAME AND ADDRESS OF ATTORNEY FOR PROPONENT OF PLAN:

G. William McCarthy, Jr.
Robinson, Barton, McCarthy & Calloway, P.A.
PO Box 12287
Columbia, SC 29211

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE:) CHAPTER 11
)
 MARTIN COLOR-FI, INC.) CASE NO. 98-10145-W
)
 Debtor(s))
 STAR FIBERS, CORP.) CASE NO. 98-10144-W
)
)
 Debtor(s))

**BALLOT FOR ACCEPTING OR
REJECTING PLAN**

The Debtor filed an amended plan of reorganization dated May 17, 2000 in this case. The court has approved a disclosure statement (either conditionally or after notice and upon hearing) with respect to the plan. The disclosure statement provides information to assist you in deciding how to vote your ballot. If you do not have a disclosure statement, you may obtain a copy from the proponent of the plan whose name and address is shown on the order setting confirmation hearing. Court approval of the disclosure statement does not indicate approval of the plan by the court. The plan referred to in this ballot can be confirmed by the court only if two-thirds in amount and more than one-half in number of creditors in each class and at least two-thirds in amount of each class of interests voting on the plan, accept the plan.

You should review the disclosure statement and plan before you vote. You may wish to seek legal advice concerning the plan and your classification and treatment under the plan. Your claim or equity interest has been placed in a specific class under the plan. If you hold claims or equity interests in more than one class, the proponent should provide you with a ballot for each class in which you are entitled to vote.

Return this ballot on or before June 21, 2000, to the United States Bankruptcy Court, PO Box 1448, Columbia, SC 29202 and serve a copy on the proponent of the plan shown on the order setting confirmation hearing. Ballots accepting or rejecting the plan shall be counted only if received by the United States Bankruptcy Court on or before June 21, 2000. If your ballot is not received by the United States Bankruptcy Court by the deadline, and such deadline is not extended, your vote will not count as either an acceptance or rejection of the plan. If the plan is confirmed by the court it will be binding on you whether or not you vote.

ACCEPTANCE OR REJECTION OF THE PLAN¹

(Fill in A, B, or C; if creditor has a claim in more than 1 area file a separate ballot for each claim)

A. The undersigned voter is the holder of a **SECURED, PRIORITY, OR UNSECURED NONPRIORITY CLAIM**, and has a claim against the debtor in the unpaid amount of \$ _____.

THE VOTER IS A _____ CLASS OF CREDITOR AND () ACCEPTS THE PLAN OR () REJECTS THE PLAN

OR

B. The undersigned voter is the holder of a **BOND, DEBENTURE, OR OTHER DEBT SECURITY**, and has a claim against the debtor in the amount of \$ _____ (principal amount). The undersigned should describe the bond, debenture or other debt security, and for purposes of this ballot it is not necessary and you should not adjust the principal amount for any accrued or unmatured interest.

THE VOTER IS A _____ CLASS OF CREDITOR AND () ACCEPTS THE PLAN OR () REJECTS THE PLAN

OR

C. The undersigned voter is the holder of an **EQUITY INTEREST**, and has _____ shares or other interests of (describe equity interest: _____) in the debtor.

THE VOTER IS A _____ CLASS OF CREDITOR AND () ACCEPTS THE PLAN OR () REJECTS THE PLAN

Dated: _____

Print or type name of creditor

Signature

Title (if corporation or partnership)

Address

¹ Failure to provide complete information in the applicable section may result in the court being unable to classify and count this ballot.