

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
NEWNAN DIVISION**

In re:)	Chapter 11
)	
DAN RIVER INC., <i>et al.</i>,)	Case Nos. 04-10990 through 04-10993
)	Jointly Administered
Debtors.)	
)	Judge Drake
)	

**GENERAL NOTICE OF:
(i) HEARING TO CONSIDER CONFIRMATION OF
DEBTORS' THIRD AMENDED PLAN OF REORGANIZATION;
(ii) OBJECTION DEADLINE IN CONNECTION
WITH THE PLAN; AND (iii) DEADLINE FOR FILING
MOTIONS PURSUANT TO RULE 3018(a) OF
THE FEDERAL RULES OF BANKRUPTCY PROCEDURE**

BY ORDER OF THE UNITED STATES BANKRUPTCY COURT,
HONORABLE W. HOMER DRAKE, JR.

PLEASE TAKE NOTICE that on March 31, 2004, Dan River Inc., The Bibb Company LLC, Dan River International Ltd., and Dan River Factory Stores, Inc. (each a "Debtor" and, collectively, the "Debtors") commenced Chapter 11 bankruptcy cases. On November 29, 2004, the Debtors filed the THIRD AMENDED AND RESTATED JOINT PLAN OF REORGANIZATION FOR DAN RIVER INC., THE BIBB COMPANY LLC, DAN RIVER INTERNATIONAL LTD. AND DAN RIVER FACTORY STORES, INC. (the "Plan"), and their DISCLOSURE STATEMENT FOR THE PLAN (the "Disclosure Statement"). The United States Bankruptcy Court for the Northern District of Georgia (the "Court") entered an order approving the Disclosure Statement as containing adequate information on November 29, 2004. The Court has scheduled a hearing to consider confirmation of the Plan, and has established the deadlines and procedures set forth in this notice.

HEARING ON CONFIRMATION OF THE PLAN

1. The hearing to confirm the Plan (the "Confirmation Hearing") will commence on January 4, 2005 at 10:00 a.m. Eastern time, or as soon thereafter as counsel can be heard, before the Honorable W. Homer Drake, Jr., in the United States Bankruptcy Court for the Northern District of Georgia, 18 Greenville Street, Second Floor, Newnan, Georgia 30263 (the "Court"). The Confirmation Hearing may be continued from time to time by announcing such continuance in open court, or otherwise, all without further notice to parties in Interest. The Court, in its discretion, may establish additional procedures governing the Confirmation Hearing.

SUMMARY OF THE PLAN AND TREATMENT OF CLAIMS AND INTERESTS

2. **Unimpaired Classes that are Deemed to Accept the Plan.** The Plan provides for payment in full or other reinstatement so that the following classes of claims are unimpaired: Class 1 (Other Secured Claims), Class 2 (Priority Claims), Class 8 (Intercompany Claims), and Class 9 (Worker's Compensation Claims). The Plan also provides that Interests in Class 11B (Bibb Interests), Class 11C (Dan River International Interests), and Class 11D (Dan River Factory Stores Interests) are unimpaired. Unclassified claims of the DIP Lenders, Administrative Expense Claims and Priority Tax Claims are also unimpaired. These claims and classes of claims are conclusively presumed to accept the Plan and may not vote for or against the Plan.

3. **Impaired Classes that May Vote For or Against the Plan.** The classes of claims that are impaired under the Plan, and are entitled to vote for or against the Plan, are Class 3 (American National Bank Claim), Class 4 (Prepetition Notes Claims), Class 5 (Substantial Unsecured Claims), Class 6 (General Unsecured Claims), and Class 7 (Unsecured Convenience Claims).

4. **Impaired Classes that are Deemed to Reject the Plan.** Claims and interests in Class 10 (Subordinated Claims) and Class 11 (Dan River Interests) are extinguished by the Plan and are conclusively presumed to reject the Plan. Holders of these claims and interests are not entitled to vote for or against the Plan.

5. The Debtors intend to consummate the Plan and to cause the Effective Date to occur as soon as practical. The Debtors believe that the Plan provides consideration to all classes of claims and interests reflecting an appropriate resolution of their claims and interests, taking into account the differing nature and priority of such claims and interests under the Bankruptcy Code.

6. The Debtors intend to request confirmation of the Plan pursuant to the cramdown provisions of Section 1129(b) of the Bankruptcy Code with respect to Classes 10 and 11 and, to the extent they vote against the Plan, with respect to Classes 3, 4, 5, 6, and 7. The Debtors believe that the Plan can be confirmed under the cramdown provisions of the Bankruptcy Code because the Plan is fair and equitable and does not discriminate unfairly with respect to those impaired classes of claims and interests.

DEADLINE AND PROCEDURES FOR FILING OBJECTIONS TO THE PLAN

7. The Bankruptcy Court has established December 30, 2004 at 4:00 p.m. Eastern time as the last date and time for filing objections to confirmation of the Plan (the "Objection Deadline"). Objections not timely filed and served will be overruled by the Court.

8. Persons wishing to obtain a copy of the Disclosure Statement or the Plan may request copies from the Voting Agent or counsel for the Debtors. Such requests must be made in writing and sent by U.S. mail to the Voting Agent, Dan River Inc., et al. c/o BMC Group, Post Office Box 949, El Segundo, California 90245-0949, or by hand or express delivery to Dan River Inc. et al., c/o BMC Group, 1330 East Franklin Avenue, El Segundo, California 90245, or to counsel for the Debtors, King & Spalding LLP, 191 Peachtree Street, Atlanta, Georgia 30303,

attention: Davida Steinberg. **The Disclosure Statement and Plan are also available for review on the internet at www.bmccorp.net/danriver. (The Plan and Disclosure Statement are listed in bottom section of that web page under the heading “Important Documents.”)**

9. To be considered by the Court, objections to the Plan must be in writing and must (a) otherwise comply with the Federal Rules of Bankruptcy Procedure and the General Orders of the Court, (b) set forth the name of the objector, and the nature and amount of any claim or interest asserted by the objector against the properties or estates of the Debtors, (c) state with particularity the legal and factual basis for such objection and the sections of the Plan to which the objection relates, (d) be filed by the Objection Deadline so as to be actually received by the Objection Deadline by the Clerk of the Bankruptcy Court for the Northern District of Georgia, 75 Spring Street, S.W., Atlanta, Georgia 30303, and (e) be served on the following so that they are actually RECEIVED on or before the Objection Deadline:

Counsel for the Debtors:

King & Spalding LLP
191 Peachtree Street
Atlanta, Georgia 30303
Attn: James A. Pardo, Jr.

Counsel for the United States Trustee:

Office of the United States Trustee
75 Spring Street
Atlanta, Georgia 30303
Attn: R. Jeneane Treace

**Counsel for the Official Committee of
Unsecured Creditors**

Akin Gump Strauss Hauer & Feld LLP
590 Madison Avenue
New York, New York 10022
Attn: Michael S. Stamer

CERTAIN INJUNCTIVE PROVISIONS IN THE PLAN

10. *Pursuant to Bankruptcy Rule 2002(c)(3), notice is hereby given of certain releases contained by the Plan, which will have injunctive effect on certain parties. First, Section 10.4 of the Plan provides a release by persons voting in favor (or presumed to have voted in favor) of the Plan of all “Released Parties,” as defined in the Plan. The claims included in Section 10.4 include any claim or cause of action arising from, based on or relating to the claim of such releasing party. Second, Section 10.6 of the Plan provides for the exculpation of various parties involved in these bankruptcy cases and the plan process, such as pursuit, consummation, and administration of the Plan, among other actions. The exculpation applies to all Holders of Claims against or Interests in the Debtors, as such terms are defined in the Plan, and excludes only willful misconduct or gross negligence from the scope of the exculpation.*

**DEADLINE FOR FILING MOTIONS PURSUANT TO
BANKRUPTCY RULE 3018 (a)**

11. PLEASE TAKE FURTHER NOTICE that the Court will determine at the Confirmation Hearing whether the provisional ballot of a party seeking temporary allowance of

claims or interests for the purpose of accepting or rejecting the Plan pursuant to Bankruptcy Rule 3018(a) is to be counted as a vote on the Plan and, if so, in what amount or number of shares it is to be temporarily allowed for purposes of voting. Rule 3018(a) motions must be (a) filed with the Bankruptcy Court and served on the persons and in the manner set forth in paragraph 9 above so that they are actually RECEIVED by each such person by 5:00 p.m. Eastern time, on or before the Voting Deadline of December 28, 2004. A hearing on any motions under Rule 3018 shall be held on January 4, 2005. Rule 3018(a) motions that are not timely filed and served in the manner set forth above shall not be considered, and the claims or equity interests referred to therein shall not be counted in determining whether the Plan has been accepted or rejected.

Dated: November 29, 2004

KING & SPALDING LLP

James A. Pardo, Jr., Esq.
Sarah Robinson Borders, Esq.
191 Peachtree Street
Atlanta, Georgia 30303

Counsel for the Debtors