

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

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

**DECLARATION OF RICHARD F. CONWAY OF  
LAMPE CONWAY & COMPANY, LLC**

I, Richard F. Conway, hereby declare:

1. I have personal knowledge of each of the facts stated in this Declaration, except for those facts stated on information and belief, and, as to those facts, I am informed and believe them to be true. I am submitting this Declaration on behalf of Lampe Conway & Company, LLC (“Lampe Conway”), to advise the Office of the United States Trustee of the information blocking procedures designed to prevent Lampe Conway trading personnel and its investment advisory personnel from receiving any non-public information concerning the chapter 11 cases of the above-captioned debtors (the “Debtors”) through Lampe Conway personnel, representatives or agents (“Lampe Conway Committee Personnel”) performing activities related to the Official Committee of Unsecured Creditors (the “Committee”) in the Debtors’ chapter 11 cases and to

prevent Lampe Conway Committee Personnel from receiving information regarding Lampe Conway's trading in the Debtors' Securities<sup>1</sup> in advance of such trading.

2. I am a Managing Member of Lampe Conway, which (i) serves as an investment adviser on behalf of certain client accounts that beneficially own securities or other claims or interests in Debtors' chapter 11 cases and/or (ii) beneficially owns such securities, in its own name or in the name of one or more funds or accounts. In that capacity, I am a representative that serves on committees in out-of-court restructurings and chapter 11 reorganization cases.

3. In conjunction with Lampe Conway's existing information blocking procedures and this Declaration, Lampe Conway has established and will maintain the following internal procedures: (i) Lampe Conway Committee Personnel shall execute a letter (a "Confidentiality Letter") acknowledging that they may receive non-public information and that they are aware of the information blocking procedures which are in effect with respect to the Debtors' Securities and will follow these procedures and will immediately inform Committee counsel and the United States Trustee in writing if such procedures are materially breached; (ii) subject to paragraph 4 hereof, Lampe Conway Committee Personnel will not directly or indirectly share any non-public information generated by, received from or relating to Committee activities or Committee membership ("Information") with any other employees, representatives or agents of Lampe Conway, including Lampe Conway's investment advisory personnel, and Lampe

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<sup>1</sup> The term "Securities" is used as such term is defined in Section 2(a)(1) of the Securities Act of 1933, including the following but only to the extent they constitute securities thereunder, stocks, notes, bonds, debentures, participations in, or derivatives based upon or relating to, any of the Debtors' debt obligations or equity interests. For the avoidance of doubt, this definition does not apply to bank debt.

Conway Committee Personnel shall use good faith efforts not to share any material Information concerning the Debtors' chapter 11 cases with any Lampe Conway employee reasonably known to be engaged in trading activities with respect to the Debtors' Securities on behalf of Lampe Conway and/or its clients, except that a good faith communication of publicly available Information shall not be presumed to be a breach of the obligations of Lampe Conway or any Lampe Conway Committee Personnel hereunder; (iii) Lampe Conway Committee Personnel will maintain all files containing information received in connection with or generated from committee activities in secured cabinets inaccessible to other employees of Lampe Conway; (iv) Lampe Conway Committee Personnel will not receive any information regarding Lampe Conway's trades in the Debtors' Securities in advance of the execution of such trades, except that Lampe Conway Committee Personnel may receive such reports showing Lampe Conway's purchases and sales and ownership of the Debtors' Securities but no more frequently than weekly (provided that Lampe Conway Committee Personnel may receive the usual and customary internal reports showing Lampe Conway's purchases and sales on behalf of Lampe Conway or its clients and the amount and class of claims, interests or securities owned by Lampe Conway or its clients to the extent that such personnel would otherwise receive such reports in the ordinary course and such reports are not specifically prepared with respect to the Debtors); (v) Lampe Conway's compliance personnel shall review Lampe Conway's trades of the Debtors' Securities to determine if there is any reason to believe that such trades were not made in compliance with the information blocking procedures and shall keep records of such review; (vi) Lampe Conway shall take those steps necessary to restrict the exchange of Information through electronic means between

Lampe Conway Committee Personnel and all other Lampe Conway personnel in a manner consistent with the foregoing procedures, which shall be monitored by Lampe Conway's compliance personnel; (vii) Lampe Conway shall disclose to the Office of the United States Trustee in writing any decrease in dollar amount of the Debtors' Securities held by Lampe Conway or its clients which results in such holdings being less than one-third of the aggregate holdings of Lampe Conway and in its clients' accounts at Lampe Conway as of date of Lampe Conway's appointment to the Committee within five business days of such trade or trades aggregating the foregoing amount; and (viii) so long as Lampe Conway is a member of the Committee, it shall disclose to the Committee's counsel and the United States Trustee, every three months, a declaration verifying continued compliance with the procedures described herein and shall immediately disclose to the Committee's counsel and the United States Trustee any material breaches of such procedures.

4. Notwithstanding any of the above to the contrary, Committee Personnel may share Information with (a) senior management of Lampe Conway who, due to their duties and responsibilities, have a legitimate need to know such Information provided that such individuals (i) otherwise comply with the procedures herein and (ii) use such Information only in connection with their senior managerial responsibilities, (b) regulators, auditors, designated legal and compliance personnel for the purpose of rendering legal advice to the Committee Personnel, and to the extent that such Information may be accessible by internal computer systems, Lampe Conway administrative personnel who service and maintain such systems, each of whom will agree not to share Information with other employees and will keep such Information in

files inaccessible to other employees, and (c) other Lampe Conway employees, representatives and agents who (i) are not involved with trading or investment advisory activities with respect to the Debtors' Securities and (ii) execute a Confidentiality Letter.

5. The Lampe Conway Committee Personnel assigned to the Debtors' chapter 11 cases will be myself and Andrew L. Hain, who is a Senior Analyst of Lampe Conway. Andrew L. Hain will submit a separate Declaration affirming his intention to comply with the screening procedures described herein. In the event any other individual Lampe Conway representative is chosen to act as a Committee representative on behalf of Lampe Conway in the Debtors' chapter 11 cases, such individual will also submit a Declaration affirming his intention to comply with the screening procedures described herein prior to accepting any responsibilities in connection therewith.

I declare under penalty of perjury that the foregoing is true and correct.

Executed this 14th day of June, 2004, at New York, N.Y.

/s/ Richard F. Conway

Richard F. Conway