

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

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

---

**DECLARATION OF WOOLARD HARRIS**

I, Woolard Harris, hereby state and declare as follows:

1. I am a member of Carl Marks Consulting Group LLC (“CMCG”), a firm that maintains an office at 2291 Memorial Drive, Danville, Virginia 24541. I am duly authorized to make this Declaration on behalf of CMCG, and I make this Declaration in support of the motion of Dan River Inc. and its debtor affiliates (collectively, the “Debtors”) for the approval of their continued engagement of CMCG to provide restructuring advisory services (the “Motion”). The facts set forth in this Declaration are personally known to me, and, if called as a witness, I could and would testify thereto. Unless otherwise defined, all capitalized terms used herein have the meanings given to them in the Motion.

2. Neither I, CMCG, nor any professional associated with CMCG has been engaged by any entity other than the Debtors in connection with the Debtors’ Chapter 11 cases.

3. CMCG is not a creditor of the Debtors.

4. To the best of my knowledge, information, and belief formed after reasonable inquiry, other than in connection with this case, neither CMCG nor I have any

connection with the Debtors, their creditors, the United States Trustee, or any other party with an actual or potential interest in these Chapter 11 cases, or their respective attorneys or accountants, except that (a) CMCG may have been engaged from time to time in the past, and may be engaged in the future, in other cases where one or more of such parties may have been or may be involved; and (b) CMCG may have been engaged by certain creditors and other parties in interest or their attorneys, accountants, or professionals in other cases unrelated to the Debtors' Chapter 11 cases.

5. To the best of my knowledge, information and belief, insofar as I have been able to ascertain after reasonable inquiry, other than in connection with these cases, neither I, nor CMCG, nor any of its principals, employees, agents or affiliates, have any connection with the Debtors, their creditors, the U.S. Trustee or any other party with an actual or potential interest in the Debtors' Chapter 11 cases or their respective attorneys or accountants, except as set forth below:

- (a) From time to time, CMCG has provided services, and likely will continue to provide services, to certain creditors of the Debtors and various other parties adverse to the Debtors in matters unrelated to the Debtors' Chapter 11 cases. As described below, however, CMCG has undertaken a detailed search to determine and to disclose whether it is providing or has provided services to any significant creditors, equity security holders, insiders or other parties-in-interest in such unrelated matters.
- (b) CMCG provides services in connection with numerous cases, proceedings and transactions unrelated to the Debtors' Chapter 11 cases. These unrelated matters involve numerous attorneys, financial advisors and creditors, some of whom may be claimants or parties with actual or potential interests in these cases or may represent such parties.
- (c) CMCG personnel may have business associations with certain creditors of the Debtors unrelated to the Debtors' Chapter 11 cases. In addition, in the ordinary course of its business, CMCG may engage counsel or other professionals in unrelated matters who now represent, or who may in the future represent, creditors or other interested parties in these cases.

6. CMCG is an advisory and crisis manager provider specifically in the areas of restructuring and distressed debt. As a result, CMCG has and may in the future represent certain Interested Parties in matters unrelated to the Debtors' Chapter 11 cases.

7. CMCG has in the past worked with, continues to work with, and has mutual clients with certain law firms who represent parties-in-interest in these cases. None of those engagements or relationships relates to these Chapter 11 cases.

8. The Debtors have numerous shareholders, lenders, creditors, and other parties with whom they maintain business relationships. CMCG may have advisory or other commercial or professional relationships with such entities or persons completely unrelated to the Debtors or their business affairs. No such relationships are in any way related to these Chapter 11 cases.

9. More specifically, CMCG in the past has had commercial or professional relationships, and may have commercial or professional relationships in the future with, directly or indirectly, the entities disclosed on Attachment 1 annexed hereto. However CMCG does not have commercial or professional relationships with any of those entities listed on Attachment 1, or any of their respective affiliates or subsidiaries, in relation to the Debtors or their Chapter 11 cases.

10. To the best of my knowledge, CMCG has not been retained to assist any entity or person other than the Debtors on matters relating to, or in connection with, these Chapter 11 cases. If this Court approves the proposed employment of CMCG by the Debtors, CMCG will not accept any engagement or perform any service for any entity or person other than the Debtors in these cases. CMCG will, however, continue to provide professional services to, and engage in commercial or professional relationships with,

entities or persons that may be creditors of the Debtors or parties in interest in these Chapter 11 cases; provided, however, that such services do not relate to, or have any direct connection with, these Chapter 11 cases.

11. To the best of my knowledge, information, and belief, CMCG does not have or represent any interest materially adverse to the interests of the Debtors, or of any class of creditors or equity security holders of the Debtors, by reason of any direct or indirect relationship to, connection with, or interest in the Debtors or any investment banker for any securities of the Debtor, or for any other reason except as noted above.

12. Despite efforts to identify and disclose CMCG's connections with parties-in-interest in these cases, because the Debtors are large enterprises with hundreds of creditors and other relationships, CMCG is unable to state with certainty that every client relationship or other connection has been disclosed. In this regard, if CMCG discovers additional information that requires disclosure, CMCG will file a supplemental disclosure with the Court.

13. CMCG reserves the right to supplement this Declaration in the event that CMCG discovers any facts bearing on matters described in this Declaration regarding CMCG's employment by the Debtors.

I declare under penalty of perjury pursuant to 28 U.S.C. § 1746 that the foregoing  
is true and correct.

Executed on April 1, 2004, in Concord, North Carolina.

/s/ Wooldard Harris  
Wooldard Harris

## **Attachment 1**

### **List of Interested Parties**

#### **Company**

Dan River Inc.

#### **Current or Past Directors**

Joseph L. Lanier, Jr.

Donald J. Keller

Richard L. Williams

Edward J. Lill

John F. Maypole

Rainer H. Mimberg

#### **Current or Past Officers**

Joseph L. Lanier, Jr.

Richard L. Williams

Barry F. Shea

Thomas L. Muscalino

Gregory R. Boozer

Anthony J. Bender

Joseph C. Bouknight

Harry L. Goodrich

Denise Laussade

Mark K. Tapp

Gary D. Waldman

#### **Publicly Identified Shareholders**

Donald J. Keller

Joseph L. Lanier, Jr.

Edward J. Lill

John F. Maypole

Rainer H. Mimberg

Richard L. Williams

Thomas L. Muscalino

Barry F. Shea

Gregory R. Boozer

Mezzanine Investment Limited Partnership-BDR Dimensional Fund Advisors, Inc.

T. Rowe Price Associates, Inc.

### **Debtor Subsidiaries**

The Bibb Company, LLC  
Dan River International, Ltd.  
Dan River Factory Stores, Inc.

### **Non-Debtor Subsidiaries**

Dan River de Mexico, S. de R.L. de C.V.  
Maquilas Pinnacle S. de R.L. de C.V.  
Adsercorp S. de R.L. de C.V.  
Dan River, B.V.

### **Senior Secured Bank Group**

Deutsche Bank Trust Company Americas, Agent and Lender  
AmSouth Bank  
Fleet Capital Corporation  
General Electric Capital Corporation  
GMAC Commercial Finance LLC  
LaSalle Business Credit LLC  
The Provident Bank  
UPS Capital Corp.  
U.S. Bank National Association  
Wachovia Bank National Association  
WellsFargoFoothill Capital Corp.  
Whitehall Business Credit Corp.  
Transamerica Business Capital Corp.  
Washington Mutual Bank, N.A.

### **144A Senior Unsecured Notes**

HSBC Bank USA, Indenture Trustee

### **Top 30 Unsecured Creditors as of 1/31/04**

Ixtaccihauatl, S.A. de C.V.  
Sunshine Mills, Inc.  
Honeywell/Allied Signal Inc.  
Wellman Inc.  
GTP Greenville Inc/Picanol  
Teijin Akra, S.A.de C.V.  
Inland Paperboard & Pkg Inc.  
CHT R. Beitlich Corp.  
P. Kaufman, Inc.  
Industrias Quiltex S.A. de C.V.

Solutia, Inc.  
Nanya Plastic Corp America  
Noveon, Inc.  
Diolen Industrial Fibers Inc.  
O'Mara Incorporated  
Vita Prelude Fibers  
Alpha Decade First  
Omnova Solutions, Inc. (Gencorp)  
Mitsui Textile Corp.  
Shamash & Sons, Inc.  
Hanes Converting Co.  
Cargill Cotton  
UNIFI, Inc.  
BASF Corporation  
Chemical Technologies, L.L.C.  
Sevier Co Trustee  
Staplcotn  
Salomon Smith Barney  
United Embroidery Inc.  
Coats American Inc.

**Lessors of Real Property**

Paramount Group, Inc., as Agent for 1325 Avenue of the Americas, L.P.  
TrizecHahn 1065 Avenue of the Americas LLC  
Manhattan Properties Company  
Shamrock Ventures, Ltd.  
1801 Partnership L.P.  
Winship Properties  
Orlando Corporation  
Nom Shores, Ltd.  
Pattillo Lumber Company  
U.S. Outlets, L.L.C.  
North Atlanta Partners, LLC  
Dukes-Weeks Realty Limited Partnership  
The Westminster Partnership  
Boonesville Industry, Inc.  
Susan E. Wilson  
Home Accents Direct Outlet Center, LLC  
City of Sevierville  
Hall Stonebriar Three Associates, Ltd.  
Lake Kiowa Enterprises  
Nancy R. Lea and American National Bank as Co-Trustees of W. Townes Lea Martial Trust  
Elizabeth S. Marshall  
Gerdau International, Inc.  
City of Danville, Virginia



Dimon Incorporated  
Felton Brothers Transit Mix, Inc.

**Lessors of Personal Property**

Pullman Bank and Trust Co.  
MDFC Equipment Leasing Corporation  
BCC Equipment Leasing Corporation  
Yale Financial Services  
Hyster Credit Company  
Raymond Leasing Corporation  
Toyota Motor Credit Corporation  
IOS Capital, LLC  
WAMCO XXIV, Ltd.  
SunTrust Bank  
J. Zimmer Maschinenbau Gesm.b.H.  
NMHG Financial Services Inc.  
Fuji Photo Film USA, Inc.  
Industrial Development Authority of Danville, Virginia

**Mortgage Holders**

American National Bank

**Insurance Companies Providing Coverage to Dan River**

Industrial Risk Insurers  
American Guarantee & Liability Ins. Co.  
ACE American Ins. Co.  
United States Fire Ins. Co.  
Lexington Ins. Co.  
Arch Specialty Ins. Co.  
General Security Indemnity Co of AZ  
ACE Bermuda  
AXIS Specialty Limited  
Endurance Specialty Ins. Ltd.  
Montpelier Re  
Employers Ins. of Wausau  
Hartford Steam Boiler Inspection & Insurance Co.  
Twin City Fire Insurance Co. (Hartford)  
Hartford Fire Insurance Co.  
United States Aircraft Insurance Group  
National Casualty Company  
Continental Insurance Co.  
American Bankers Inc. Co. of Florida

Zurich Insurance Co.  
Grupo Nacional Provincial, S.A.  
Zurich American Ins. Co.  
Gulf Ins. Co.  
Federal Ins. Co.  
Navigators Mgmt. Co. Inc.  
Federal Insurance Co. ( Chubb)  
National Union Fire Insurance Co.  
Employers Reinsurance Corp.

**Auditor**

Ernst & Young LLP