ENTERED ON DOCKET
4-1-04

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

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

ORDER GRANTING MOTION OF DEBTORS FOR ORDER PURSUANT TO 11 U.S.C. §§ 105(a) AND 363 AUTHORIZING THE DEBTORS TO HONOR CERTAIN PREPETITION CUSTOMER OBLIGATIONS

This matter is before the Court on the motion of Dan River Inc., The Bibb Company, LLC, Dan River International Ltd., and Dan River Factory Stores, Inc. (collectively, the "Debtors") for authority to honor certain prepetition customer obligations (the "Motion").

The Court has considered the Motion, the Declaration of Barry F. Shea in Support of First-Day Applications and Motions, and the matters reflected in the record of the hearing held on the Motion. It appears that the Court has jurisdiction over this proceeding; that this is a core proceeding; that notice of the Motion has been given to the Office of the United States Trustee, counsel for the Debtors' prepetition secured lenders, the indenture trustee for the Debtors' senior note holders, counsel to the Agent for the Debtors' proposed debtor-in-possession lenders, and the Debtors' thirty largest unsecured creditors on a consolidated basis; that no further notice is necessary; that the relief sought in the motion is in the best interests of the Debtors, their estates, and their creditors; and that good and sufficient cause exists for such relief.

Accordingly, it is hereby ORDERED as follows:

1. The Motion is GRANTED.

2. Except as otherwise required by any post-petition financing order or the Debtors' post-petition financing agreement approved by this Court, the Debtors are authorized, but not required, to honor or pay those prepetition obligations under the Customer Programs, as more particularly described in paragraph 16 of the Motion, but in no event may the aggregate amount of payments made pursuant to this order exceed those amounts for such claims set forth in any budget supplied with the Court's interim order authorizing the Debtors to obtain post-petition financing, as such order may be amended or finalized from time to time.

3. The Debtors' banks are authorized to process, honor and pay any and all checks issued to honor transfers in connection with the Customer Programs.

4. The banks and other financial institutions that process, honor and pay any and all checks on account of Customer Obligations may rely on the representation of the Debtors as to which checks are issued and authorized to be paid in accordance with this Order without any duty of further inquiry and without liability for following the Debtors' instructions.

5. Payment of an obligation arising under a Customer Program shall not constitute assumption by the Debtors of a contract related to a Customer Program under Bankruptcy Code Section 365, nor shall it preclude the Debtors from contesting the validity or amount due under a Customer Program.

6. To the extent the ten-day stay of Bankruptcy Rule 6004(g) may be construed to apply to the subject matter of this Order, such stay is hereby waived.

7. The Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

SO ORDERED.

At Atlanta, Georgia this 1 day of April, 2004.

W. HOMER DRAKE, JR.
UNITED STATES BANKRUPTCY JUDGE

Prepared and Presented by:

KING & SPALDING LLP

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CERTIFICATE OF SERVICE

District/off: 113E-7 User: hardwickm Page 1 of 1 Date Rcvd: Apr 01, 2004
Case: 04-10990 Form ID: pdf491 Total Served: 7

The following entities were served by first class mail on Apr 03, 2004.
db Dan River Inc., P.O. Box 261, Danville, VA 24543
aty James A. Pardo, Jr., King & Spalding, 191 Peachtree Street, Suite 4900, Atlanta, GA 30303-1763
aty Jonathan W. Jordan, King & Spalding LLP, 191 Peachtree Street, Suite 4900, Atlanta, GA 30303-1763
aty King & Spalding LLP, 191 Peachtree Street, Atlanta, GA 30303
aty Lamberth, Cifelli, Stokes & Stout, P.A., 3343 Peachtree Road, NE, East Tower, Suite 550, Atlanta, GA 30326-1009
aty R. Jeneane Treace, U.S. Trustee, 362 Richard Russell Bldg., 75 Spring Street, Atlanta, GA 30303
ust Office of the US Trustee, Suite 362, 75 Spring Street, SW, Atlanta, GA 30303

The following entities were served by electronic transmission.
NONE. TOTAL: 0

***** BYPASSED RECIPIENTS *****
NONE. TOTAL: 0

I, Joseph Speetjens, declare under the penalty of perjury that I have served the attached document on the above listed entities in the manner shown, and prepared the Certificate of Service and that it is true and correct to the best of my information and belief.

First Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Apr 03, 2004 **Signature:** Joseph Speetjens