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
	<u> </u>	•

ORDER ENFORCING SECTIONS 362 AND 525 OF THE UNITED STATES BANKRUPTCY CODE

This matter is before the Court on the motion of Dan River Inc. and its debtor affiliates (collectively, the "Debtors") requesting an entry of an order pursuant to Sections 362 and 525 of title 11 of the Bankruptcy Code, enforcing the Bankruptcy Code's automatic stay and anti-discrimination provisions. The Court has considered the Motion, the Declaration of Barry 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' pre-petition secured lenders, the indenture trustee for the Debtors' senior note holders, counsel to the Agent for the Debtors' proposed debtor-in-possession lenders, and to the Debtors' thirty largest unsecured creditors on a consolidated basis; 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 provided under the Bankruptcy Code, all persons (including individuals, partnerships and corporations, and all those acting for or on their behalf), and all

foreign or domestic governmental units (and all those acting for or on their behalf), are hereby stayed, restrained and enjoined from taking the following actions without further order of this Court:

- (a) Commencing or continuing any judicial, administrative or other proceeding against the Debtors, including the issuance or employment of process, that was or could have been commenced before any of the Debtors' Chapter 11 cases were commenced, or recovering a claim against any of the Debtors that arose before the commencement of any of their Chapter 11 cases;
- (b) Enforcing a judgment obtained before the commencement of any of the Debtors' Chapter 11 cases against any of the Debtors or against property of any of the Debtors;
- (c) Taking any action to obtain possession of property of any of the Debtors or of property from any of the Debtors or taking any action to exercise control over property of any of the Debtors;
- (d) Taking any action to create, perfect or enforce any lien against property of any of the Debtors, to the extent that such lien secures a claim that arose before the commencement of any of the Debtors' Chapter 11 cases;
- (e) Taking any action to collect, assess or recover a claim against any of the Debtors that arose before the commencement of any of their Chapter 11 cases;
- (f) Offsetting any debt owing to any of the Debtors that arose before the commencement of any of the Debtors' Chapter 11 cases against any claim against any of the Debtors; and/or

- (g) Commencing or continuing any proceeding before the United States Tax Court concerning any of the Debtors.
- 3. Except as provided under the Bankruptcy Code, all persons and all foreign and domestic governmental units, and all those acting on their behalf, including sheriffs, marshals, constables, and other or similar law enforcement officers and officials are stayed, restrained and enjoined from, in any way, seizing, attaching, foreclosing upon, levying against or in any other way interfering with any and all of the property of any of the Debtors, wherever located, absent further order of this Court.
- 4. Nothing in this Order shall affect the exceptions to the automatic stay contained in Section 362(b) of the Bankruptcy Code or the right of any party in interest to seek relief from the automatic stay in accordance with Section 362(d) of the Bankruptcy Code, or other specific sections of the Bankruptcy Code that contain exceptions to the automatic stay, including without limitation, Sections 555, 556, 559, and 560 of the Bankruptcy Code.
- 5. Pursuant to Section 525 of the Bankruptcy Code, all governmental units are prohibited and enjoined from denying, revoking, suspending, or refusing to renew any license, permit, charter, franchise, or other similar grant to, condition such a grant to, or discriminate with respect to such a grant against, any of the Debtors solely because one or all of the Debtors: (i) are debtors under the Bankruptcy Code; (ii) may have been insolvent before the commencement of the Debtors' Chapter 11 cases; or (iii) may be insolvent during the pendency of the Debtors' Chapter 11 cases.

6. This Order is intended to be declarative of and coterminous with, and shall neither abridge, enlarge nor modify, the rights and obligations of any party under Sections 362 and 525 of the Bankruptcy Code.

SO ORDERED.

At Atlanta, Georgia this day of April, 2004.

V. HOMER DRAKE, JR.

UNITED STATES BANKRUPTCY JUDGE

Prepared and Presented by:

KING & SPALDING LLP

James A. Pardo, Jr.

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BAE SYSTEMS

Enterprise Systems Incorporate 11487 Sunset Hills Road Reston, Virginia 20190-5234

Enterprise Systems Incorporated CERTIFICATE OF SERVICE

District/off: 113E-7 User: hardwickm Page 1 of 1 Date Rcvd: Apr 02, 2004 Case: 04-10990 Form ID: pdf491 Total Served: 6 The following entities were served by first class mail on Apr 04, 2004. db Dan River Inc., (800)603-4877, (434)799-7003 outside United States, 24543 Danville, VA James A. Pardo, Jr., King Atlanta, GA 30303-1763 Jonathan W. Jordan, King King & Spalding, 191 Peachtree Street, aty King & Spalding LLP, 191 Peachtree Street, Suite 4900, aty Atlanta, GA 30303-1763 Lamberth, Cifelli, Stokes & Stout, P.A., 3343 Peachtree Road, NE, East Tower, Suite 550, aty Atlanta, GA 30326-1009 aty R. Jeneane Treace, U.S. Trustee, 362 Richard Russell Bldg., 75 Spring Street, Atlanta, GA 30303 75 Spring Street, SW, Atlanta, GA 30303 Office of the US Trustee, Suite 362, ust The following entities were served by electronic transmission. TOTAL: 0 NONE. ***** 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 04, 2004 Signat

Joseph Spections