

**UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
HINES HORTICULTURE, INC., et al., ¹)	Case No. 08-11922 (KJC)
)	
Debtors.)	Jointly Administered
)	
)	Re: Docket No. 13

**ORDER AUTHORIZING THE DEBTORS TO CONTINUE USING THEIR CASH
MANAGEMENT SYSTEM, BANK ACCOUNTS AND BUSINESS FORMS AND
GRANTING RELATED RELIEF**

Upon the motion (the "Motion")² of the above-captioned debtors (collectively, the "Debtors") for the entry of an order (the "Order") authorizing the Debtors to continue using their existing cash management system, bank accounts and business forms and granting related relief and the First Day Declaration; it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors and other parties in interest; the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); venue being proper before this court pursuant to 28 U.S.C. §§ 1408 and 1409; notice of the Motion having been adequate and appropriate under the circumstances; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED

1. The Motion is granted as provided herein.
2. The Debtors are authorized to continue using their integrated Cash Management

System as described in the Motion.

¹ The Debtors in these Chapter 11 Cases and the last four digits of each Debtor's federal tax identification numbers are: Hines Horticulture, Inc. (3204) and Hines Nurseries, Inc. (1319). The location of the Debtors' corporate headquarters and the service address for both Debtors is: 12621 Jeffrey Road, Irvine, California 92620.

² Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Motion.

3. The Debtors are authorized to: (a) continue to use, with the same account numbers, all of the bank accounts in existence as of the Petition Date, including, without limitation, those accounts identified on Exhibit 1 attached hereto (the "Bank Accounts"); (b) use, in their present form, all Business Forms (including, but not limited to, letterhead, purchase orders and invoices) as well as checks and other documents related to the Bank Accounts existing immediately before the Petition Date, without reference to their status as debtors or debtors in possession; provided that once the Debtors' existing checks have been exhausted, the Debtors shall request that the designation "Debtor in Possession" and the corresponding bankruptcy case number appear on all reordered checks; and (c) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession.

4. Any obligation requiring the Debtors' to (a) open and maintain separate postpetition bank accounts, (b) close their existing books and records as of the Petition Date; or (c) open new books and records as of the Petition Date are hereby waived; provided that the Debtors shall distinguish between pre- and postpetition transactions in their books and records.

5. The Debtors are directed to maintain records of transfers within the Cash Management System occurring after the Petition Date to the same extent maintained by the Debtors prior to the Petition Date, and the records of such postpetition transfers shall be adequately documented in the Debtors' books and records.

6. Except as otherwise expressly provided in this Order, all banks at which the Bank Accounts are maintained (collectively, the "Banks") are authorized and directed to continue to service and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor and pay any and all

checks, drafts, wires and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof or counterparties thereto, as the case may be.

7. The Debtors are authorized to open any new bank accounts or close any existing bank accounts as they may deem necessary and appropriate in their sole discretion; provided, however, that (a) the Debtors shall provide notice to the U.S. Trustee of the opening or closing of such accounts no later than five business days following the opening or closing of such account, (b) the Debtors shall comply with the investment requirements set forth by section 345(b) of the Bankruptcy Code with respect to such new account, as such investment requirements may be modified by this Order or any order of the Court, and (c) the Debtors will include any such new account information in their monthly operating reports.

8. The Debtors are authorized to direct the Banks and the Banks are authorized and directed to pay obligations in accordance with this or any other order of this Court.

9. The Debtors are authorized to make disbursements from the Bank Accounts, or any new bank accounts in a manner consistent with the Debtors' existing cash management practices.

10. Except as otherwise provided in this Order or in another order of this Court, all Banks provided with notice of this Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts or otherwise issued prior to the Petition Date.

11. All banks may debit the Debtors' Bank Accounts in the ordinary course of business on account of (a) all checks drawn on the Bank Accounts which were cashed or exchanged for cashier's checks by the payees thereof prior to the Petition Date and (b) all checks or other items deposited into one of the Bank Accounts prior to the Petition Date which have been dishonored or returned unpaid for any reason to the same extent the Debtors were responsible for such items prior to the Petition Date.

12. Those certain existing deposit agreements between the Debtors and the Banks shall continue to govern the postpetition cash management relationship between the Debtors and the Banks, and that all of the provisions of such agreements, including, without limitation, the termination and fee provisions, shall remain in full force and effect.

13. The Debtors and the Banks may, without further order of this Court, agree to and implement changes to the Cash Management System and procedures in the ordinary course of business; provided that notice of the opening and closing of bank accounts shall be provided as set forth herein.

14. In the course of providing cash management services to the Debtors, each of the Banks is authorized, without further order of this Court, to deduct from the appropriate accounts of the Debtors its customary fees and expenses associated with the nature of the deposit and cash management services rendered to the Debtors, whether arising prepetition or postpetition, and further, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including, without limitation, returned items that result from ACH transfers, wire transfers or other electronic transfers of any kind, regardless of whether such items were deposited prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

15. Should any of the Banks honor a prepetition check, ACH transfer, wire transfer or other item drawn on any account that is the subject of this Order (a) at the direction of the Debtor to honor such prepetition check or item, (b) in a good faith belief that the Court has authorized such prepetition check or item to be honored or (c) as the result of an innocent mistake made despite implementation of customary item handling procedures, it shall not be deemed to be nor shall be liable to the Debtor or its estate or otherwise in violation of this Order.

16. The Debtors are authorized to deposit and invest any funds held overnight in the BofA Funding Account in accordance with their established investment practices in effect as of the Petition Date; provided that to the extent such investment practices are not consistent with the requirements of section 345(b) of the Bankruptcy Code or of the U.S. Trustee Guidelines, such requirements are waived for 60 days, on an interim basis only, without prejudice to the Debtors' right to seek further interim extensions or waivers.

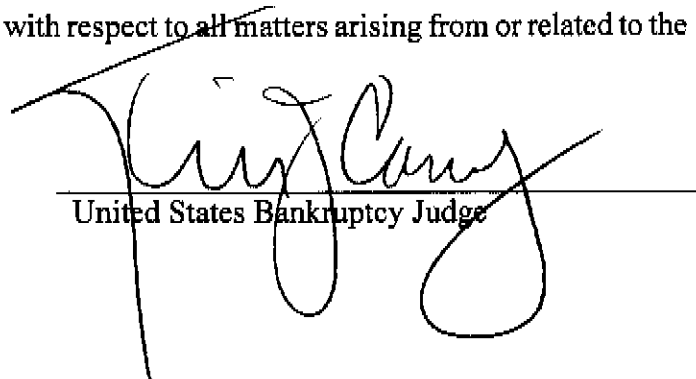
17. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied.

18. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

19. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

20. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Date: *Aug 22, 2008*
Wilmington, Delaware


United States Bankruptcy Judge