

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

HINES HORTICULTURE, INC., et al.,¹

Debtors.

) Chapter 11

) Case No. 08-11922 (KJC)

) Jointly Administered

) Re: Docket No. 12

**ORDER AUTHORIZING PAYMENT ON CERTAIN PREPETITION CLAIMS
HELD BY KEY SUPPLIERS**

Upon the motion (the "Motion")² of the above-captioned debtors (collectively, the "Debtors") for the entry of an order (the "Order") authorizing payment on certain prepetition claims held by Key Suppliers 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, in their sole discretion, to pay all or part of the Key Supplier Claims in an amount not to exceed \$2,000,000 in the aggregate without further order of the Court pursuant to the Trade Procedures, attached hereto as Exhibit 1 and incorporated by reference herein;

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.

provided that such aggregate \$2,000,000 limit shall be reduced on a dollar for dollar basis by payments actually made by the Debtors on account of prepetition Shipping Charges.

3. The Trade Procedures are hereby approved in their entirety.

4. The Debtors shall maintain a summary list of all payments to the Key Suppliers and provided updated copies of such list to the Office of the United States Trustee for the District of Delaware on a monthly basis on or before the 30th day following the end of each month in which payments are made.

5. The Debtors shall serve notice of the Trade Procedures on any Key Supplier prior to making any payment authorized hereunder.

6. Service of the Trade Procedures upon such Key Suppliers shall be deemed good and sufficient notice of the Trade Procedures to such Key Suppliers.

7. The banks and financial institutions on which checks are drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized and directed to receive, process, honor and pay all such checks and electronic payment requests when presented for payment, and that all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Order.

8. The Debtors are authorized to reissue any check or electronic payment that originally was given in payment of any prepetition amount authorized to be paid under this Order and is not cleared by the applicable bank or other financial institution; provided, however, that in so doing, the Debtor may not exceed the limits on aggregate payments on account of prepetition claims held by Key Suppliers as set forth herein.

9. Nothing herein shall be deemed to constitute the postpetition assumption of any executory contracts or leases between the Debtors and the Key Suppliers, if any.

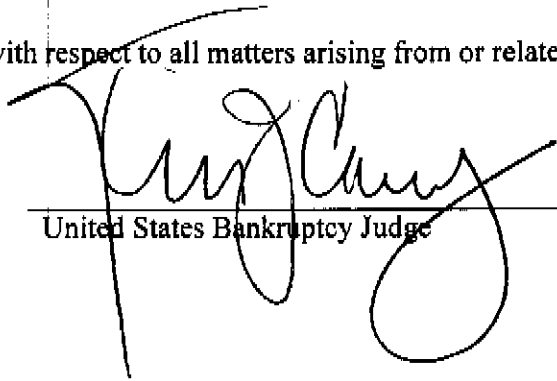
10. The requirements set forth in Bankruptcy Rule 6003(b) are satisfied.

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

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

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

Date: *August 2006*
Wilmington, Delaware


United States Bankruptcy Judge