

John A. Bicks (NY 2032498)  
Louis A. Curcio (NY 4016267)  
SONNENSCHN NATH & ROSENTHAL LLP  
1221 Avenue of the Americas  
New York, NY 10020-1089  
Telephone: (212) 768-6700

Michael A. Condyles (VA 27807)  
Peter J. Barrett (VA 46179)  
Jeremy S. Williams (VA 77469)  
KUTAK ROCK LLP  
Bank of America Center  
1111 East Main Street, Suite 800  
Richmond, Virginia 23219-3500  
Telephone: (804) 644-1700

*Attorneys for Debtors and Debtors in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

In re:	)	Chapter 11
	)	
MOVIE GALLERY, INC., <u>et al.</u> , <sup>1</sup>	)	Case No. 10-30696 (DOT)
	)	
Debtors.	)	
	)	

**ORDER (I) APPROVING AGREEMENT WITH GREAT AMERICAN WF, LLC; (II) AUTHORIZING THE SALE OF THE DEBTORS’ ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS; (III) APPROVING A BREAK-UP FEE AND EXPENSE REIMBURSEMENT; (IV) APPROVING THE FORM AND MANNER OF NOTICE; AND (V) GRANTING RELATED RELIEF**

Upon the Motion of the Debtors for Entry of Order: (i) Approving Agreement with Great American WF, LLC; (ii) Authorizing the Sale of the Debtors’ Assets Free and Clear of all Liens, Claims, Encumbrances and Interests; (iii) Approving a Break-Up Fee and Expense Reimbursement; (iv) Approving the Form and Manner of Notice; and (v) Granting Related Relief (the “Motion”); and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and

<sup>1</sup> The Debtors in the cases are Movie Gallery, Inc., Hollywood Entertainment Corporation, Movie Gallery US, LLC, MG Real Estate, LLC, and HEC Real Estate, LLC. The Debtors are also referred to herein as, collectively, the Merchant.



proper notice of the Motion having been provided to (i) the Core Group (as defined in the Order Establishing Certain Notice, Case Management and Administrative Procedures dated February 8, 2010 (the “Case Management Order”)); (ii) the 2002 List (as defined in the Case Management Order); (iii) each Affected Entity (as defined in the Case Management Order); and (iv) all persons known to the Debtors who have expressed an interest in purchasing the Subject Assets<sup>2</sup> and/or acting as the Debtor’s agent with respect to the sale of the Subject Assets; and it appearing that no other or further notice need be provided; and an auction having been held on May 19, 2010 (the “Auction”); and Great American WF, LLC (the “Successful Bidder”) having been identified as the successful bidder at the Auction; and the Debtors and the Successful Bidder having agreed to the appointment of the Successful Bidder as set forth in the Agency Agreement pursuant to which the Successful Bidder shall act as the Merchant's exclusive agent for the limited purpose of (a) selling all of the Merchandise (as hereinafter defined) located in (i) Merchant's retail store locations listed on Exhibit 1A to the Agency Agreement (each individually a “Store” or “Closing Location”, and collectively the “Stores” or, “Closing Locations”) by means of a “going-out-of-business”, “store closing” or similar theme sale (as further described below, the “GOB Sales”), (b) disposing of Merchant’s furniture, fixtures and equipment (the “FF&E”) located at (i) the Stores; and (ii) Merchant’s corporate offices and other facilities identified on Exhibit 1C (the “Corporate Offices”); (c) disposing of Merchant’s leasehold interests in non-residential real property for the Closing Locations and the Corporate Offices, pursuant to Section 16 of the Agency Agreement; and (d) disposing of Merchant’s fee owned properties identified in Exhibit 17(a) to the agency Agreement (collectively the “Fee Owned Properties”)(all of the assets identified in (a) through (d) shall be collectively referred to as the “Subject Assets”); and a further hearing having been held on May 19, 2010 (the

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<sup>2</sup> Capitalized terms not defined in this Order shall have the meaning ascribed thereto in the Motion or the Agency Agreement dated May 20, 2010 attached hereto as Schedule A (the “Agency Agreement”).

“Hearing”) to consider the relief requested in the Motion; and the appearances of all interested parties having been noted in the record of the Hearing; and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefore, it is

FOUND AND DETERMINED THAT:

A. This Court has jurisdiction over the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue of these cases and this Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

B. The statutory predicates for the relief requested are sections 105, 363 and 503 of the Bankruptcy Code and Rule 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”).

C. The findings and conclusions set forth herein constitute the Court’s findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

D. Notice of the Motion and of the Hearing was given in accordance with the directive of the Court and as otherwise required by applicable law, as evidenced by the affidavits of service on file with the Clerk of the Court.

E. The notice of the Motion and of the Hearing was adequate and sufficient under the circumstances, and any otherwise applicable requirement for notice is hereby waived and

dispensed with. A reasonable opportunity to object or to be heard with respect to the Motion and the relief requested therein has been afforded to all interested persons and entities.

F. As demonstrated by testimony proffered at the Hearing and representations of counsel to the Debtors and other parties in interest made at the Hearing, the Debtors have conducted the bidding solicitation and auction process fairly, with adequate opportunity for interested parties to submit Qualified Bids.

G. The offer of the Successful Bidder, upon the terms and conditions set forth in the Agency Agreement, including the form and total consideration to be realized by the Debtors pursuant to the Agency Agreement, (i) is the highest and best offer received by the Debtors, (ii) is fair and reasonable; and (iii) is in the best interests of the Debtors' estates.

H. The use by and transfer to the Successful Bidder of personally identifiable information, as defined in section 101(41A) of the Bankruptcy Code ("Personally Identifiable Information") (or assets containing personally identifiable information) in connection with certain components of the transaction is consistent with the Debtors' existing privacy policy; *provided, however*, that the Successful Bidder shall use such Personally Identifiable Information solely to conduct GOB Sales in accordance with the Agency Agreement.

I. The Debtors (i) have full corporate power and authority to execute and deliver the Agency Agreement and all other documents contemplated thereby, and the sale of the Debtors' Merchandise has been duly and validly authorized by all necessary corporate action of the Debtors, (ii) have all of the corporate power and authority necessary to consummate the transactions contemplated by the Agency Agreement and (iii) have taken all corporate action necessary to authorize and approve the Agency Agreement and the consummation of the transactions contemplated thereby. No consents or approvals, other than those expressly

provided for in the Agency Agreement or in this Order or as represented in the Motion or the hearing on this Motion, are required for the Debtors to consummate such transactions.

J. The Agency Agreement was negotiated and entered into in good faith, based upon arm's length bargaining, and without collusion or fraud. Neither the Debtors nor the Successful Bidder has engaged in any conduct that would prevent the application of section 363(m) of the Bankruptcy Code or cause the application of or implicate Section 363(n) of the Bankruptcy Code to the Agency Agreement or to the consummation of the transactions contemplated thereby.

K. The Debtors were free to deal with any other party interested in liquidating some or all of the Debtors' assets. The Successful Bidder has not violated section 363(n) of the Bankruptcy Code by any action or inaction. Specifically, the Successful Bidder has not acted in a collusive manner with any person and was not controlled by any agreement among bidders. The Successful Bidder is not an "insider" as that term is defined in section 101(31) of the Bankruptcy Code. No common identity of directors or controlling stockholders exists between the Successful Bidder and the Debtors.

L. The Agent Selection Procedures were negotiated in good faith by the Debtors and Great American. The Agent Selection Procedures are reasonable and appropriate and represent the best method for maximizing value for the benefit of the Debtors' estates.

Now, therefore, it is hereby

**ORDERED, ADJUDGED AND DECREED THAT:**

1. The Motion is granted to the extent provided herein. All objections to the Motion that have not been withdrawn, waived, settled, or specifically addressed in this Order, and all reservations of rights included in such objections, are overruled in all respects on the merits and denied.

2. The Debtors and the Successful Bidder are hereby authorized, pursuant to sections 105(a) and 363(b)(1) of the Bankruptcy Code, to conduct the GOB Sales in accordance with (i) the Agency Agreement, (ii) the Final Order (A) Authorizing the Debtors to Conduct Store Closing Sales (B) Approving Procedures with Respect to Store Closing Sales, (C) Authorizing the Debtors to Pay Limited Liquidation and Closure Performance Bonuses, and (D) Authorizing the Debtors to Abandon Certain De Minimis Assets in Connection with Store Closing Sales (Docket No. 1099; the “Store Closing Procedures Order”), and (iii) the terms of this Order and of the Store Closing Procedures attached hereto as Schedule B (the “Store Closing Procedures”), and the Sale Termination Date shall be August 31, 2010, unless the store closing sales are concluded prior to such date in the sole discretion of the Successful Bidder.

3. The Store Closing Procedures Order shall remain in full force and effect, except as modified by this Order, including the Store Closing Procedures, and shall specifically apply to the Closing Locations. The Successful Bidder shall comply with, and shall be entitled to rely upon, the applicable terms of the Store Closing Procedures Order and this Order, including, without limitation the Store Closing Procedures.

4. The Successful Bidder (i) shall be bound by and shall honor the “no-sale” windows identified by the Debtors in an exhibit to the Agency Agreement, and (ii) shall, as directed by Debtors in writing, honor and abide by Debtors’ obligations to the Studios, Warner Home Video and any other party to the Term Sheet (as defined below), the Accommodation Agreement and/or the Revenue Share Agreements (as defined in the Term Sheet), provided, however, that the Successful Bidder shall not assume the Debtors’ obligations under the Term Sheet. The Agency Agreement shall not serve to limit or impair the Debtors’ payment obligations or any of the other provisions of the Debtors’ agreements with the Studios and Warner Home Video as set forth in the Term Sheet for Joint Plan of Liquidation of Movie

Gallery Inc. and its Affiliated Debtors (the “Term Sheet”) which Term Sheet was attached to the Stipulation by and Between the Debtors, Lenado Capital Advisors and Affiliates (on Behalf of Certain Prepetition First Lien Revolving Lenders), the Prepetition First Lien Term Agent (on Behalf of the Prepetition First Lien Term Lenders), the Official Committee of Unsecured Creditors and Certain Movie Studios and Suppliers Regarding Final Cash Collateral Order and Plan Term Sheet filed on May 7, 2010 (Docket No. 1093)). For the avoidance of doubt, nothing in this Order or the Agency Agreement shall alter the rights and obligations of the respective parties under the Term Sheet.

5. The Debtors are hereby authorized and empowered to enter into the Agency Agreement, and the Agency Agreement is hereby approved in its entirety and is incorporated herein by reference. All amounts payable to the Successful Bidder under the Agency Agreement shall be payable to the Successful Bidder without the need for any application of the Successful Bidder therefor or a further order of the Court.

6. Except as otherwise provided in this Order or in the Agency Agreement, pursuant to Section 363(f) of the Bankruptcy Code, the assets being sold pursuant to the Agency Agreement shall be sold free and clear of any and all mortgages, security interests, conditional sales or title retention agreements, pledges, hypothecations, liens, judgments, encumbrances or claims of any kind or nature (including, without limitation, any and all “claims” as defined in section 101(5) of the Bankruptcy Code), including, without limitation, those of the Prepetition Secured Parties, the Prepetition Second Lien Term Parties (as defined in the Final Order (A) Authorizing the Use of Cash Collateral, (B) Granting Adequate Protection to Certain Pre-Petition Secured Parties, and (C) Granting Related Relief (as has been or may be amended, the “Cash Collateral Order”)), the Studios or Warner Home Video (as defined in the Term Sheet), or any other person or entity, whether arising by agreement, any statute or otherwise and whether

arising before, on or after the date on which these chapter 11 cases were commenced (collectively, the “Pre-Existing Liens”), with such Pre-Existing Liens to attach to the Transaction Consideration and any and any other amounts payable to the Debtors under the Agency Agreement (collectively, the “Transaction Proceeds”) with the same validity, force and effect as the same had with respect to the assets at issue, subject to any and all defenses, claims and/or counterclaims or setoffs the Debtors may possess. Without limiting the foregoing, Transaction Proceeds will be Cash Collateral (as defined in the Cash Collateral Order) and shall be subject to the Cash Collateral Order.

7. All of the transactions contemplated by the Agency Agreement shall be protected by section 363(m) of the Bankruptcy Code in the event that this Order is reversed or modified on appeal. The transactions contemplated by the Agency Agreement are not subject to avoidance pursuant to section 363(n) of the Bankruptcy Code.

8. Unless otherwise ordered by the Court, all newspapers and other advertising media in which the GOB Sales may be advertised and all landlords are directed to accept this Order as binding authority so as to authorize the Debtors and the Successful Bidder to consummate the Agency Agreement and to conduct the GOB Sales at the Stores, including, without limitation, conducting and advertising of the GOB Sales (at the contractual rates charged to the Debtors prior to the Petition Date) in accordance with the Agency Agreement, the Store Closing Procedures, and this Order; and no further approval, license or permits of any governmental authority shall be required.

9. The Debtors and the Successful Bidder are hereby authorized to take such actions as may be necessary and appropriate to implement the Agency Agreement and to conduct the GOB Sales without necessity of further order of this Court as provided in this Order, the Agency Agreement, and the Store Closing Procedures as modified herein, including, but not limited to,



(a) the sale of certain of the Subject Assets by means of a Bulk Sale, and (b) advertising the GOB Sales through the posting of signs (including the use of exterior banners, at (i) non-enclosed mall Stores, and (ii) enclosed mall Stores to the extent the applicable Store entrance does not require entry into the enclosed mall common area, use of signwalkers and street signage, in accordance with the Agency Agreement, the Store Closing Procedures, as modified herein, and any separate written agreements between the Successful Bidder and the affected Landlords. Notwithstanding anything to the contrary in the Store Closing Procedures Order, this Order or the Store Closing Procedures, the Successful Bidder: (i) is authorized to conduct, advertise, post signs and otherwise promote the GOB Sales as “going out of business” sales; and (ii) the Successful Bidder shall be deemed to be the “Agent” as defined in the Store Closing Procedures Order for all purposes related to the conduct and implementation of GOB Sales.

10. Except as otherwise expressly provided for in the Agency Agreement, title to each Subject Asset shall remain with the applicable Debtor’s estate and each Subject Asset shall remain property of the applicable Debtor’s estate until the earlier of (i) the sale of such Subject Asset by the Successful Bidder to a third party and (ii) (with respect to Subject Assets that are not subject to revenue share agreements) the occurrence of the Sale Termination Date.

11. This Court shall retain exclusive jurisdiction to resolve any disputes regarding this Order and the actions authorized hereunder brought by or against any person, including, without limitation, (i) any claim or issue relating to any efforts to prohibit, restrict or in any way limit banner and signwalker advertising, including with respect to any allegations that such advertising is not being conducted in a safe, professional and non-deceptive manner, (ii) any claim of the Debtors, the landlords and/or the Successful Bidder for protection from interference with the GOB Sales and (iii) any other disputes related to the GOB Sales or arising under the Agency Agreement or the implementation thereof.

12. Throughout the applicable Sale Term, the Successful Bidder shall have the right to use the Stores and all related services, furniture, fixtures, equipment and other assets of Debtors for the purpose of conducting the GOB Sales, in each case solely in accordance with the applicable provisions of the Agency Agreement.

13. [intentionally omitted]

14. Until the applicable Sale Termination Date, the Successful Bidder shall be granted a limited license and right to use the Debtors' trade names, logos and customer lists relating to and used in connection with the operation of the Stores, solely for the purpose of advertising the GOB Sales in accordance with the applicable terms of the Agency Agreement.

15. Except as expressly provided for in the Agency Agreement, nothing in this Order or the Agency Agreement and none of the Successful Bidder's actions taken in respect of the GOB Sales shall be deemed to constitute an assumption by the Successful Bidder of any of the Debtors' obligations relating to any of the Debtors' employees. Moreover, the Successful Bidder shall not become liable under any collective bargaining or employment agreement or be deemed a joint or successor employer with respect to such employees.

16. Except as set forth in the Agency Agreement, the Debtors and/or the Successful Bidder (as the case may be) are authorized and empowered to transfer assets among the Stores and among the Current Stores (but not among the Stores and Current Stores). The Successful Bidder shall be permitted to include in the GOB Sales as consigned goods the Additional Agent Merchandise in accordance with the terms and provisions of the Agency Agreement. At all times, title to the Additional Agent Merchandise shall remain with the Successful Bidder and the Additional Agent Merchandise and the proceeds thereof, shall not constitute property of the estate of any one or more of the Debtors.

17. The Leasehold Disposition Rights set forth in section 16 of the Agency Agreement are approved, subject to the affected landlord's rights under section 365 of the Bankruptcy Code and provided that the affected landlord receives notice of the proposed assignment of the lease which shall include the following information : (i) the exact identity of the proposed designee; (ii) the proposed designee's use of the leased premises; (iii) the Debtor's proposed cure amount; and (iv) information demonstrating adequate assurance of future performance with respect to the proposed designee as that term is used in section 365 of the Bankruptcy Code (the "Notice of Proposed Lease Assignment") no less than ten (10) days before the hearing on the proposed lease assignment. The deadline for the affected landlord to object to the proposed assignment shall be no less than seven (7) days after receipt of a Notice of Proposed Lease Assignment. This Court shall retain jurisdiction over any disputes or objections raised by the affected landlords with respect to the foregoing. The amounts required to pay any pre-petition or post-petition cure amounts associated with the assumption of any Closing Location leases or Corporate Offices lease and the other costs associated with the assumption and assignment of any Closing Location leases or Corporate Office leases shall be allocated between the Debtors and the Successful Bidder in accordance with section 16 of the Agency Agreement.

18. The Fee Owned Property Disposition Rights set forth in Section 17 of the Agency Agreement are hereby approved. The Debtors are authorized and empowered to (a) sell, transfer, convey and deliver to the Successful Bidder the Fee Owned Property Designation Rights, including but not limited to, the exclusive power and authority on the terms set forth in the Agency Agreement to select and identify from time to time during the Fee Owned Property Marketing Period, one or more Designees to which any or all of the Fee Owned Properties may be sold; and (b) without further order of the Court, effective as of the closing with respect to each

Fee Owned Property sell, convey, transfer and deliver to any Designee, the Debtors' interests in and to (and all of the Debtors' rights, title and interests in and to) such Fee Owned Property, free and clear of Pre-Existing Liens and any such Pre-Existing Liens shall attach to the Transaction Proceeds with the same validity, force and effect as the same had with respect to the assets at issue, subject to any and all defenses, claims and/or counterclaims or setoffs the Debtors may possess.

19. During the Owned Property Marketing Period, the Successful Bidder shall have the exclusive right, power and authority, in its sole discretion, to contact, solicit, negotiate with and enter into binding agreements concerning the Fee Owned Properties with any person, and sell, transfer and/or convey the Debtors' rights, title and interests in and to any or all of the Fee Owned Properties; provided however, such sale or transfer shall will only become effective as to each Fee Owned Property up the date that is at least ten (10) business days after the filing with the Bankruptcy Court and service on the affected Notice Parties and their respective counsel.

20. Upon the issuance of the Letter of Credit provided for in the Agency Agreement, the Debtors shall grant to the Successful Bidder, solely in accordance with the terms of the Agency Agreement, pursuant to sections 364(d) and 507 of the Bankruptcy Code, a valid and perfected first priority security interest and superpriority administrative claim (subject to the subordination provisions set forth below in this paragraph and in the Agency Agreement) in and lien upon the Subject Assets and the Comprehensive Sale Proceeds to secure all obligations of Debtors under the Agency Agreement; *provided, however*, that until the payment of: (i) the Transaction Consideration; (ii) the Merchant's First Tranche Recovery Amount, if any; (iii) the Merchant's Second Tranche Recovery Amount, if any; (iv) any amounts necessary to reimburse Merchant for Comprehensive Sale Expenses; and (v) any other amounts to be paid to the Debtors under the Agency Agreement, the Successful Bidder's security interest shall remain junior and

subordinate in all respects to the liens, security interests and claims of Prepetition Secured Parties, the Prepetition Second Lien Term Parties, and any holders of Pre-Existing Liens to the extent of the unpaid portion of the Transaction Consideration, the Recovery Amount and Expenses. Upon entry of this Order and payment of the Initial Transaction Payment and the issuance of the Letter of Credit, the security interest granted to the Successful Bidder shall be deemed properly perfected without the need for further filings or documentation.

21. The Transaction Proceeds shall be the perfected collateral of the Prepetition Secured Parties and the Prepetition Second Lien Term Parties and shall be subject to liens and administrative expense claims of the Prepetition Secured Parties and the Prepetition Second Lien Term Parties as provided in, and subject to the priorities set forth in, the Cash Collateral Order without further action by the Prepetition Secured Parties or the Prepetition Second Lien Term Parties.

22. The provisions of this Order, the Agency Agreement, and any actions taken pursuant hereto or thereto shall survive the entry of any order which may be entered confirming or consummating any plan of reorganization of the Debtors or converting the Debtors' cases from chapter 11 to chapter 7, and the terms and provisions of the Agency Agreement, as well as the rights and interests granted pursuant to this Order and the Agency Agreement shall continue in this or any superseding case and shall be binding upon the Debtors, the Successful Bidder and their respective successors and permitted assigns, including any trustee or other fiduciary hereafter appointed as a legal representative of the Debtors under chapter 7 or chapter 11 of the Bankruptcy Code. Any trustee appointed in these cases shall be and hereby is authorized to operate the business of the Debtors to the fullest extent necessary to permit compliance with the terms of this Order and the Agency Agreement, and the Successful Bidder and the trustee shall be and hereby are authorized to perform under the Agency Agreement upon the appointment of a

trustee without the need for further order of this Court. In the event a chapter 7 trustee determines that it needs further order of this Court in connection with the continued operation of the business, such motion shall be heard on an expedited basis.

23. To the extent that anything contained in this Order conflicts with a provision in the Agency Agreement or the Store Closing Procedures, this Order shall govern and control. This Court shall retain exclusive jurisdiction with respect to any matters, claims, rights or disputes arising from or related to the implementation of this Order or otherwise arising from or related to the Agency Agreement.

24. The Successful Bidder shall not be liable for any claims against the Debtors, and the Debtors shall not be liable for any claims against the Successful Bidder, in each case, other than as expressly provided for in the Agency Agreement. The Successful Bidder shall have no successor liability whatsoever with respect to any Liens or claims of any nature that may exist against the Debtors.

25. No bulk sale or similar law shall prohibit the Debtors or the Successful Bidder from taking action contemplated by the Agency Agreement.

26. The Debtors, the Successful Bidder and each of their respective officers, employees and agents are hereby authorized to execute such documents and to do such acts as are necessary or desirable to carry out the GOB Sales and effectuate the Agency Agreement, and the related actions set forth therein.

27. Notwithstanding Bankruptcy Rules 4001 and 6004, this Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing. In the absence of any person or entity obtaining a stay pending appeal, the Debtors and the Successful Bidder are free to perform under the Agency Agreement at any time, subject to the terms of the Agency Agreement.

28. The Successful Bidder is a party in interest and shall have the ability to appear and be heard on all issues related to or otherwise connected to this Agency Agreement, and the conduct of the GOB Sales.

29. In the event the Successful Bidder fails to consummate the transaction as a result of the Successful Bidder's default or breach under the applicable purchase agreement by the closing date contemplated in such purchase agreement, the Debtors shall (i) retain the Successful Bidder's Good Faith Deposit as liquidated damages and any other claims for damages; and (ii) be free to enter into a new purchase agreement with the next most appropriate Qualified Bidder at the highest price bid by such bidder at the Auction, whose Qualifying Bid shall be deemed open, without the need for an additional hearing before or order of the Bankruptcy Court.

May 20 2010  
Dated: May \_\_\_\_, 2009

/s/ Douglas O. Tice Jr.  
United States Bankruptcy Judge  
Entered on Docket: 05/20/2010

We ask for this:

/s/ Jeremy S. Williams

**KUTAK ROCK LLP**

Michael A. Condyles (VA 27807)  
Peter J. Barrett (VA 46179)  
Jeremy S. Williams (VA 77469)  
Bank of America Center  
1111 East Main Street, Suite 800  
Richmond, Virginia 23219-3500  
Telephone: (804) 644-1700  
Fax: (804) 783-6192

and

**SONNENSCHN NATH & ROSENTHAL LLP**

John A. Bicks (NY 2032498)  
1221 Avenue of the Americas  
New York, NY 10020-1089  
Telephone: (212) 768-6700  
Fax: (212) 768-6800

*Attorneys for Debtors and Debtors in Possession*

**LOCAL RULE 9022-1(C)(2) CERTIFICATION**

The undersigned hereby certifies that the foregoing proposed Order has been served upon all necessary parties, which necessary parties consist of the creditors and parties in interest constituting the Core Group, the 2002 List and the Affected Entities, as such terms are defined in that certain Order Establishing Certain Notice, Case Management and Administrative procedures [Docket No. 118] entered by the Court on February 8, 2010. On May 20, 2010, service of the proposed Order was effected on the aforementioned parties by electronic mail, overnight mail and/or first class mail, postage prepaid (only if electronic mail or overnight mail was unavailable).

/s/ Jeremy S. Williams