

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

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In re:	:		Chapter 11
	:		
HERITAGE HOME GROUP LLC, et al.,	:		Case No. 18-11736 (KG)
	:		
Debtors. ¹	:		Jointly Administered
	:		
	-----X		RE: Docket Nos. 13 & 193

**NOTICE OF PROPOSED SALE, BIDDING PROCEDURES, AUCTION, AND SALE HEARING
RELATED TO THE HICKORY CHAIR, PEARSON, MAITLAND-SMITH, AND LA BARGE BRANDS**

PLEASE TAKE NOTICE that the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) each filed a voluntary petition for relief under chapter 11 of title of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) on July 29, 2018 (the “Petition Date”). On the Petition Date, the Debtors filed a motion [D.I. 13] (the “Sale Motion”)² seeking authority, among other things, to sell (the “Sale”) substantially all of the Debtors’ assets related to the Debtors’ going-concern business of designing, manufacturing, sourcing, licensing, and selling home furnishings under the Hickory Chair, Pearson, Maitland-Smith, and La Barge brands (the “Luxury Brands Business” or “Acquired Assets”) to Hickory Chair, LLC (the “Stalking Horse Bidder”), or other Successful Bidder, free and clear of all liens, claims, encumbrances, and other interests, other than those permitted in the applicable purchase agreement.

PLEASE TAKE FURTHER NOTICE that, on August 27, 2018, the Bankruptcy Court entered an order [D.I. 193] (the “Bidding Procedures Order”), granting certain of the relief sought in the Sale Motion, including, among other things, approving (i) the Bidding Procedures, which are attached as Exhibit 2 to the Bidding Procedures Order and (ii) procedures for the assumption and assignment of contracts and leases in connection with the Sale (the “Assumption and Assignment Procedures”).

PLEASE TAKE FURTHER NOTICE that approval of the Sale of the Acquired Assets to the Stalking Horse Bidder or other Successful Bidder may result in, among other things, the assumption, assignment, and/or transfer by the Debtors of certain executory contracts and unexpired leases. If you are counterparty to an executory contract or unexpired lease with the Debtors, you will receive a separate notice regarding the Assumption and Assignment Procedures that contains additional relevant dates and other information that may impact you as counterparty to such executory contract or unexpired lease.

PLEASE TAKE FURTHER NOTICE that, all interested bidders should carefully read the Bidding Procedures Order and the Bidding Procedures in their entirety. The deadline by which all Bids must be *actually received* is **5:00 p.m. (EDT) on September 17, 2018** (the “Bid Deadline”).

¹ The Debtors in these chapter 11 cases, along with the last four digits of each debtor’s tax identification number, as applicable, are: Heritage Home Group LLC (9506); HH Global II B.V. (0165); HH Group Holdings US, Inc. (7206); HHG Real Property LLC (3221); and HHG Global Designs LLC (1150). The Debtors’ corporate headquarters is located at 1925 Eastchester Drive, High Point, North Carolina 27265.

² Capitalized terms used in this Notice and not immediately defined have the meanings given to such terms in the Sale Motion.



Contact Persons for Parties Interested in Submitting a Bid

The Bidding Procedures set forth in detail the requirements for submitting a Qualified Bid, and any person interested in making an offer to purchase the Acquired Assets **must** comply with the Bidding Procedures. **Only Qualified Bids will be considered by the Debtors.** Any persons interested in making an offer to purchase the Acquired Assets should contact the Debtors' investment banker: Houlihan Lokey Capital Inc., 111 S. Wacker Drive, 37th Floor, Chicago, Illinois 60606, Attn: Andrew Turnbull (aturnbull@hl.com) and Ryan Sandahl (rsandahl@hl.com).

Obtaining Additional Information

Copies of the Sale Motion and the Bidding Procedures Order, as well as all related exhibits, including the Asset Purchase Agreement and the Bidding Procedures, notice of Successful Bidder (when filed),³ and all other related documents filed with the Bankruptcy Court (collectively, the "**Sale Documents**") are available free of charge on the website of the Bankruptcy Court-appointed claims and noticing agent for the Chapter 11 Cases, Kurtzman Carson Consultants LLC ("**KCC**"), <http://www.kccllc.net/heritagehome>, under the "Sale Related Documents" tab. The Sale Documents also are available, free of charge, upon request to KCC (tel: 888-251-2954 (U.S./Canada) or 310-751-2614 (International); heritagehomeinfo@kccllc.com) or the Debtors (Michael Girello, paralegal, tel: 302-571-6600; fax: 302-571-1253; mgirello@ycst.com).

Important Dates and Deadlines

The dates and deadlines set forth below have been established pursuant to the Bidding Procedures Order.

1. The deadline to file an objection with the Bankruptcy Court to the entry of an order approving the sale (the "**Sale Order**") and all objections related to the Stalking Horse Bidder (collectively, "**Sale Objections**") is **4:00 p.m. (EDT) on September 17, 2018** (the "**Sale Objection Deadline**").
2. The deadline to submit a Qualified Bid is **5:00 p.m. (EDT) on September 17, 2018**.
3. In the event that the Debtors timely receive a Qualified Bid in addition to the Qualified Bid of the Stalking Horse Bidder, the Debtors intend to conduct an Auction for the Acquired Assets. The Auction, if any, will be held at **10:00 a.m. (EDT) on September 20, 2018** at the offices of counsel for the Debtors, Young Conaway Stargatt & Taylor, LLP, 1000 N. King Street, Wilmington, Delaware 19801 (or such other place and time as the Debtors timely communicate to all entities entitled to attend the Auction). Creditors of the Debtors and representatives of the Office of the United States Trustee for the District of Delaware may attend the Auction if they send written notice by email to the Debtors' counsel (pmorgan@ycst.com, kenos@ycst.com, and jchapman@ycst.com) of their intention to attend the Auction on or before the Bid Deadline and in such notice identify the representatives who will attend on behalf of the creditor; *provided, however*, that the Debtors may limit the number of attendees per creditor to a reasonable number.
4. The deadline for objections to the conduct of the Auction and the terms of a Sale to a Successful Bidder other than the Stalking Horse Bidder (collectively, "**Auction Objections**") is **10:00 a.m. (EDT) on September 25, 2018** (the "**Auction Objection Deadline**").
5. A hearing (the "**Sale Hearing**") to consider the Sale presently is scheduled to be held on **September 26, 2018 at 10:00 a.m. (EDT)**, before the Honorable Kevin Gross, at the Bankruptcy Court, 824 North Market Street, 6th Floor, Courtroom No. 3, Wilmington, Delaware 19801. The Sale Hearing may be adjourned from time to time without further notice to creditors or other parties in interest

³ Within the earlier of (i) five business hours after conclusion of the Auction and (ii) noon the next business day after the conclusion of the Auction, the Debtors shall file on the docket and post on the Case Website under the "Sale Related Documents" tab a notice identifying the Successful Bidder.

other than by announcement of the adjournment in open court or by notice filed on the docket of the Chapter 11 Cases.

Filing Objections

Sale and Auction Objections, if any, must: (a) be in writing; (b) state with specificity the nature of such objection; (c) comply with the Bankruptcy Rules and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware; and (d) be filed with the Bankruptcy Court and served upon, so as to be **actually received** on or prior to the Sale Objection Deadline or the Auction Objection Deadline, as applicable, by the following parties: (i) counsel to the Debtors, Young Conaway Stargatt & Taylor, LLP, Rodney Square, 1000 North King Street, Wilmington, Delaware 19801, Attn: Pauline K. Morgan, Esq. (pmorgan@ycst.com), Kenneth J. Enos, Esq. (kenos@ycst.com), and Jaime Luton Chapman, Esq. (jchapman@ycst.com); (ii) the Office of the United States Trustee for the District of Delaware, 844 King Street, Suite 2207, Wilmington, Delaware, 19801, Attn: Linda Richenderfer, Esq. (Linda.richenderfer@usdoj.gov); (iii) counsel to the Pre-Petition Agent and DIP Agent, Blank Rome LLP, 1201 North Market Street #800, Wilmington, Delaware 19801, Attn: Regina Kelbon, Esq. (Kelbon@BlankRome.com) and Stanley B. Tarr, Esq. (Tarr@BlankRome.com); (iv) counsel to the Pre-Petition Term Agent, Cozen O'Connor, 1201 North Market Street, Suite 1001, Wilmington, Delaware 19801, Attn: Mark Felger, Esq. (mfelger@cozen.com) and Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attn: Jeffrey D. Saferstein, Esq. (JSaferstein@paulweiss.com), Jacob A. Adlerstein, Esq. (JAdlerstein@paulweiss.com), and Sarah Harnett, Esq. (SHarnett@paulweiss.com); (v) counsel to the Stalking Horse Bidder, McGuireWoods LLP, 201 North Tryon Street, Suite 3000, Charlotte, North Carolina 28202, Harrison L. Marshall, Jr., Esq. (hmarshall@mcguirewoods.com); and (vi) counsel to the Committee, Foley & Lardner LLP, 90 Park Avenue, New York, New York 10016, Attn: Richard J. Bernard (rbernard@foley.com) and Leah M. Eisenberg (leisenberg@foley.com), and Whiteford, Taylor & Preston LLC, The Renaissance Centre, 405 North King Street, Suite 500, Wilmington, Delaware 19801, Attn: Christopher M. Samis (csamis@wtplaw.com), L. Katherine Good (kgood@wtplaw.com), and Aaron H. Stulman (astulman@wtplaw.com) (collectively (i)-(vi), the "Objection Recipients").

CONSEQUENCES OF FAILING TO TIMELY ASSERT AN OBJECTION:

ANY PARTY OR ENTITY WHO FAILS TO TIMELY FILE AND SERVE A SALE OBJECTION ON OR BEFORE THE SALE OBJECTION DEADLINE, OR RAISE AN AUCTION OBJECTION ON OR BEFORE THE AUCTION OBJECTION DEADLINE, IN ACCORDANCE WITH THE ENTERED BIDDING PROCEDURES ORDER MAY BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE TRANSFERRED ASSETS OF THE DEBTOR ESTATES FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES AND OTHER INTERESTS EFFECTED THEREUNDER.

Dated: August 28, 2018
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Jaime Luton Chapman

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