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

In re:)	Case No. 07- 33849 (DOT)
)	Jointly Administered
MOVIE GALLERY, INC., et al., ¹)	Chapter 11
)	Hon. Douglas O. Tice, Jr.
)	
Debtors.)	
)	
)	

**NOTICE OF COMMENCEMENT OF CHAPTER 11 CASES,
MEETING OF CREDITORS AND DEADLINES FOR
CREDITORS TO FILE PROOFS OF CLAIM**

Commencement of Chapter 11 Cases. On October 16, 2007, the debtors listed below (collectively, the “Debtors”) filed petitions commencing chapter 11 cases under the Bankruptcy Code, 11 U.S.C. §§ 101-1532 (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division (the “Bankruptcy Court”).

¹ The Debtors in the cases include: Movie Gallery, Inc.; Hollywood Entertainment Corporation; M.G. Digital, LLC; M.G.A. Realty I, LLC; MG Automation LLC; and Movie Gallery US, LLC.



Debtor	Address	Case No.	EID#
Movie Gallery, Inc.	900 West Main Street Dothan, Alabama 36301	07-33849 (DOT)	63-1120122
Hollywood Entertainment Corporation	900 West Main Street Dothan, Alabama 36301	07-33848 (DOT)	93-0981138
M.G. Digital, LLC	900 West Main Street Dothan, Alabama 36301	07-33850 (DOT)	41-2155085
M.G.A. Realty I, LLC	900 West Main Street Dothan, Alabama 36301	07-33851 (DOT)	47-0890138
MG Automation LLC	900 West Main Street Dothan, Alabama 36301	07-33852 (DOT)	22-3916769
Movie Gallery US, LLC	900 West Main Street Dothan, Alabama 36301	07-33853 (DOT)	41-1461110

Joint Administration of Cases. The Bankruptcy Court entered an order on October 17, 2007, authorizing the joint administration of the Debtors' chapter 11 cases pursuant to Rule 1015 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and consolidating the Debtors' chapter 11 cases for procedural purposes only under Case No. 07-33849 (DOT) and directing that the joint caption of the chapter 11 cases read In re: Movie Gallery, Inc., et al. Pursuant to Rule 1015-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Eastern District of Virginia (the "Local Bankruptcy Rules") and the Motion of the Debtors for an Order Directing Joint Administration of their Related Chapter 11 Cases [Docket No. 5], interested parties may file an objection to joint administration no later than ten days after the meeting of creditors to be held pursuant to section 341 of the Bankruptcy Code.

Section 341 Meeting of Creditors. Pursuant to section 341 of the Bankruptcy Code, the Office of the United States Trustee for the Eastern District of Virginia (the "U.S. Trustee") has scheduled a meeting of creditors on December 13, 2007 at 2:00 p.m. (prevailing Eastern Time) at 600 East Main Street, Suite 120, Richmond, Virginia 23219. The Debtors' representatives will be present at the meeting to be examined under oath by the U.S. Trustee and by creditors. Creditors are welcome to attend the meeting but are not required to do so. The meeting may be continued and concluded at a later date without further notice.

Creditors May Not Take Certain Actions. The filing of the Debtors' chapter 11 petitions automatically stays certain collection and other actions against the Debtors and the Debtors' property. Prohibited actions are listed in section 362(a) of the Bankruptcy Code. For example, creditors are prohibited from: contacting the Debtors to demand repayment; taking action against the Debtors to collect money owed to creditors; starting or continuing lawsuits against the Debtors; and taking certain actions against property of the Debtors' estates. If unauthorized actions are taken by a creditor against the Debtors, the Bankruptcy Court may penalize that creditor. A creditor who is considering taking action against the Debtors or their property should review, among other things, section 362(a) of the Bankruptcy Code and seek legal advice.

Deadline for Filing Proofs of Claim. On October 18, 2007, the Bankruptcy Court entered the Order (A) Establishing Bar Dates and (B) Approving the Form and Manner of Notice of Commencement of Cases and Notice of Bar Dates for Creditors to File Proofs of Claim [Docket No. 111] (the "Bar Date Order"). The Bar Date Order establishes, among other deadlines, January 25, 2008, as the last date for creditors except governmental units to file proofs of claim in the Debtors' chapter 11 cases and April 14, 2008, as the last date for governmental units to file proofs of claim in the Debtors' chapter 11 cases. In accordance with the Bar Date Order, the notice of the bar dates (the "Bar Date Notice") will be mailed separately no later than December 10, 2008. The Bar Date Notice will contain information regarding the bar dates, a proof of claim form and instructions for completing and filing a proof of claim form.

Schedule of Assets and Liabilities. On October 18, 2007, the Bankruptcy Court entered an Order (A) Granting an Extension of Time to File Statements of Financial Affairs and Schedules of Assets and Liabilities, Current Income and Expenditures and Executory Contracts and Unexpired Leases and (B) Authorizing the Scheduling of the Meeting of Creditors as Set Forth Herein [Docket No. 113] (the “Schedules Order”). The Schedules Order establishes November 30, 2007, as the date on which the Debtors shall file their statements and schedules of assets and liabilities with the Bankruptcy Court (the “Statements and Schedules”). Unless such date is extended by the Bankruptcy Court, the Statements and Schedules will be available on the Bankruptcy Court’s website at www.vaeb.uscourts.gov, at www.kccllc.net/moviegallery and upon request of the Debtors’ counsel as soon as practicable after filing.

Order Limiting Notice. On October 17, 2007, the Bankruptcy Court entered an order establishing the scope of notice to be given in connection with certain proceedings in the Debtors’ chapter 11 cases [Docket No. 88] (the “Case Management Order”). The Case Management Order provides, among other things, that except as set forth in the procedures approved by the Case Management Order, notice of proceedings in the Debtors’ chapter 11 cases need only be sent via electronic mail to the parties on the established service list. Any party in interest that desires to receive electronic mail notice in the Debtors’ chapter 11 cases and, consequently, be added to the service list, shall file with the Bankruptcy Court a notice of appearance and request for service in accordance with the procedures approved by the Case Management Order and shall serve such request on Kirkland & Ellis LLP, 200 East Randolph Street, Chicago, Illinois 60601, Attn: Anup Sathy, P.C. and Marc Carmel. All creditors will receive notice of certain proceedings, including, but not limited to, bar dates (unless applicable to a limited population of creditors), the time fixed for filing objections and any hearing to consider a disclosure statement and/or chapter 11 plan and dismissal or conversion of the chapter 11 cases to another chapter of the Bankruptcy Code. A copy of the procedures approved by the Case Management Order are available from the sources described in the section titled “How to Obtain Documents.”

How to Obtain Documents. Free electronic copies of all pleadings and certain other documents filed in the Debtors’ 11 cases will be posted at www.kccllc.net/moviegallery as soon as practicable after filing. For further information, call the Movie Gallery restructuring hotline: (888) 647-1730. Electronic copies of all pleadings or other documents filed in the Debtors’ chapter 11 cases may be obtained for a fee via PACER on the Bankruptcy Court’s website at www.vaeb.uscourts.gov. Paper copies of all pleadings or other documents filed in the Debtors’ chapter 11 cases may be obtained for a fee by sending a written request to the Court’s copy service, Information Processing Services, Inc., 200 South Washington Street, Suite 101, Richmond, Virginia 22314 or by calling (703) 706-0494.

Court Filings. The Debtors’ chapter 11 cases have been designated as cases assigned to the electronic case filing system and can be accessed via the Court’s web site at www.vaeb.uscourts.gov or ecf.vaeb.uscourts.gov.

Local Rule Dismissal Warning. Chapter 11 cases may be dismissed for failure to timely file lists, schedules and statements or attend the meeting of creditors. See Local Bankruptcy Rules 1007-1 and 2003-1.

Legal Advice. Neither the Debtors’ counsel nor the Bankruptcy Court Clerk’s Office can give you legal advice. You may wish to consult an attorney to protect your rights.

Richmond, Virginia
Dated: October 23, 2007

MOVIE GALLERY, INC., et al.
Debtors and Debtors in Possession