

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

TO: ALL ENTITIES WHO MAY HAVE CLAIMS AGAINST ANY OF THE FOLLOWING DEBTORS:

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

On October 18, 2007, the Bankruptcy Court entered an order [Docket No. 111] in the Chapter 11 Cases (the “Bar Date Order”) establishing **January 25, 2008** as the general claims bar date (the “General Bar Date”), **April 14, 2008** as the governmental unit claims bar date (the “Governmental Unit Bar Date,” and with the General Bar Date, the Amended Schedule Bar Date (as defined herein) and the Rejection Bar Date (as defined herein), the “Bar Dates”) and authorizing the form of this Notice of Bar Dates for Filing Proofs of Claim (the “Notice”). On December 5, 2007, the Bankruptcy Court entered an order [Docket No. 1103] supplementing the Bar Date Order solely with respect to the form of the proof of claim form to comply with the revised Official Bankruptcy Form No. 10 (with the Bar Date Order, the “Bar Date Orders”).

1. WHO MUST FILE A PROOF OF CLAIM FORM

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



“contingent,” “unliquidated,” “disputed” or any combination thereof if the holder of such Claim desires to participate in any of the Chapter 11 Cases or share in any distribution in the Chapter 11 Cases on account of such Claim; (b) any Claim that is improperly classified in the Schedules or is listed in an incorrect amount if the holder of such Claim wishes to have such Claim allowed in a classification or amount other than as set forth in the Schedules; (c) any Claim that is not listed in the Schedules; and (d) any Claim that is allowable under section 503(b)(9) of the Bankruptcy Code as an administrative expense of the Chapter 11 Cases.

Any Creditor whose Claims have been reduced, deleted or the status of which has been changed in connection with the Debtors amending the Schedules must file a Proof of Claim Form with respect to such Claim on or before the later of: (a) the applicable Bar Date; and (b) 30 days after such Creditor is served with notice that the Debtors have amended their Schedules (the “Amended Schedule Bar Date”).

All Creditors must identify on their Proof of Claim Forms the holder or holders of the Claim and the particular Debtor against which their Claim is asserted and the applicable bankruptcy case number for such Debtor. Any Creditor asserting Claims against more than one Debtor must file a separate Proof of Claim Form with respect to each such Debtor. If more than one Debtor is listed on a Proof of Claim Form, the Debtors will treat such Claim as filed against the first listed Debtor. Any Claims filed in the lead joint administration case (In re: Movie Gallery, Inc., et al.) shall be deemed filed only against Movie Gallery, Inc.

2. WHO NEED NOT FILE A PROOF OF CLAIM FORM

Proof of Claim Forms need not be filed on or before the applicable Bar Date for Claims asserted against the Debtors of the types set forth below:

- a. Claims listed in the Debtors’ Schedules or any amendments thereto, which are not therein listed as “contingent,” “unliquidated,” “disputed” or any combination thereof and which are not disputed by the Creditor holding such Claim as to nature, amount or classification;
- b. Claims for which a Proof of Claim Form has already been filed with the Court or submitted to the Notice, Claims and Balloting Agent (as defined herein) in accordance with this Notice;
- c. Claims previously allowed by, or paid pursuant to, an order of the Court;
- d. Claims allowable under sections 503(b) and 507(a)(1) of the Bankruptcy Code as administrative expenses of the Chapter 11 Cases, with the exception of Claims allowable under section 503(b)(9) of the Bankruptcy Code;
- e. Claims made by any of the Debtors or any direct or indirect subsidiary of any of the Debtors that hold Claims against one or more of the other Debtors;
- f. Claims made by any holder of equity securities of the Debtors solely with respect to such holder’s ownership interest in or possession of such equity securities; provided, however, that any such holders who wish to assert a Claim against any of the Debtors based on transactions in the Debtors’ securities, including, without limitation, Claims for damages or rescission based on the purchase or sale of such securities, must file a Proof of Claim Form on or prior to the General Bar Date; provided that the Debtors reserve all rights with respect to any such Claims including, without limitation, to assert that such Claims are subject to subordination pursuant to section 510(b) of the Bankruptcy Code; and
- g. Claims made by any holder of 11% Senior Notes or 9.625% Senior Subordinated Notes (collectively, the “Notes”) of the Debtors whose Claim is limited exclusively to the repayment of principal, interest and/or other applicable fees and charges on account of such Notes (a “Debt Claim”); provided, however, that (i) the foregoing exclusion shall not apply to the indenture trustee under the applicable indenture, (ii) each such indenture trustee shall be required to file one Proof of Claim Form on account of all of the Notes on or before the General Bar Date and (iii) any holder of a Note wishing to assert a Claim, other than a Debt Claim, arising out of or relating to a Note, including, without limitation, Claims for damages or rescission based on the purchase or sale of such Notes, must file a Proof of Claim Form on or before the General Bar Date.

3. EXECUTORY CONTRACTS AND UNEXPIRED LEASES

For a Claim that arises out of the rejection of an executory contract or an unexpired lease, the Creditor holding such Claim must file a Proof of Claim Form on or before the latest of: (a) the applicable Bar Date; (b) 30 days after the date of entry of any order authorizing the rejection of an executory contract or unexpired lease; and (c) 30 days after the effective date of the rejection of such executory contract or unexpired lease (collectively, the "Rejection Bar Date").

4. WHEN AND WHERE TO FILE

Except as provided herein, the Bar Date Orders require that any Claims against any of the Debtors be filed with the Debtors' notice, claims and balloting agent appointed by the Bankruptcy Court, Kurtzman Carson Consultants LLC (the "Notice, Claims and Balloting Agent"), by submitting a Proof of Claim Form, so that such Proof of Claim Form is actually received on or before 4:00 p.m. (prevailing Eastern Time) on the applicable Bar Date at the following address:

<p>Movie Gallery Claim Processing Center c/o Kurtzman Carson Consultants LLC 2335 Alaska Avenue El Segundo, California 90245</p>

Proof of Claim Forms are deemed filed only when they are actually received by the Notice, Claims and Balloting Agent (not the date of the postmark). Submissions by facsimile, electronic mail or any other electronic means will not be accepted.

5. CONSEQUENCES OF FAILURE TO FILE A PROOF OF CLAIM BY THE BAR DATES

ANY CREDITOR THAT IS REQUIRED TO FILE A PROOF OF CLAIM FORM IN THESE CHAPTER 11 CASES BUT THAT FAILS TO DO SO BY ON OR BEFORE 4:00 P.M. (PREVAILING EASTERN TIME) ON THE APPLICABLE BAR DATE WILL BE FOREVER BARRED, ESTOPPED AND ENJOINED FROM: (A) ASSERTING ANY CLAIM AGAINST THE DEBTORS (OR FILING A PROOF OF CLAIM WITH RESPECT THERETO) THAT (i) IS NOT LISTED IN THE SCHEDULES, (ii) IS IN AN AMOUNT THAT EXCEEDS THE AMOUNT, IF ANY, THAT IS SET FORTH IN THE SCHEDULES OR (iii) IS OF A DIFFERENT NATURE OR IN A DIFFERENT CLASSIFICATION (ANY SUCH CLAIM REFERRED TO AS AN "UNSCHEDULED CLAIM"); AND (B) VOTING UPON, OR RECEIVING DISTRIBUTIONS UNDER, ANY CHAPTER 11 PLAN IN RESPECT OF AN UNSCHEDULED CLAIM; AND THE DEBTORS AND THEIR PROPERTY WILL BE FOREVER DISCHARGED FROM ANY AND ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO SUCH UNSCHEDULED CLAIM.

6. ACCESS TO PROOF OF CLAIM FORMS

Proof of Claim Forms and a copy of the Bar Date Orders may be obtained by contacting the Notice, Claims and Balloting Agent by: (a) writing to Kurtzman Carson Consultants LLC, 2335 Alaska Avenue, El Segundo, California 90245; or (b) calling (888) 647-1730. The Notice, Claims and Balloting Agent cannot advise you whether you should file a Proof of Claim Form. Notwithstanding anything set forth in this Notice, the Debtors retain the right to: (a) dispute and assert offsets or defenses against any filed proof of Claim or any Claim listed or reflected in the Schedules as to the nature, amount, liability, classification or otherwise of such Claim; and (b) subsequently designate any Claim as contingent, unliquidated, disputed or any combination thereof.

The fact that you received this Notice does not mean that you have a Claim against the Debtors. You should consult your own attorneys or other professionals to determine whether you hold a Claim against the Debtors. Neither the Debtors' counsel nor the Bankruptcy Court Clerk's Office can give you legal advice.

Richmond, Virginia
Dated: December 11, 2007

William C. Redden
Clerk of the Bankruptcy Court

UNITED STATES BANKRUPTCY COURT

Eastern District of Virginia
1100 East Main Street
Richmond, VA 23219

NOTICE OF ELECTRONIC FILING PROCEDURE

Case Name: **MOVIE GALLERY, INC., et al.**

Case Number: **07-33849-DOT (Jointly Administered)** Date Filed: **October 16, 2007**

The above case, which has been filed in this court, can be accessed electronically via the Court's Internet site at <http://www.vaeb.uscourts.gov> or <http://www.vaeb.uscourts.gov/ecfnew/ecf.htm>. In compliance with Federal Rule of Bankruptcy Procedure 9011 and in accordance with the "Administrative Procedures for Filing, Signing, Retaining and Verification of Pleadings and Papers in the Case Management/Electronic Case Filing (CM/ECF) System" Exhibit (hereafter Administrative Procedures), which is incorporated by reference in Standing "Order Adopting Case Management/Electronic Case Filing Procedures" (No. 06-4), the registered participant's password shall constitute the signature of that person; therefore, security of a registered participant's password is the responsibility of that person. **An original signed copy of the filing shall be retained in the registered participant's files in accordance with the Administrative Procedures.**

Parties with legal representation **must** file documents in accordance with the following:

1. The requirements for filing, viewing and retrieving case documents are: A personal computer running Netscape navigator software version 4.6x or 4.7x, Adobe Acrobat 4.0 or later software to convert documents from a word processor format to a portable document format (PDF), and an Internet Service Provider (ISP) using Point-to-Point Protocol (PPP). The URL address is www.vaeb.uscourts.gov and a password is needed to access this system. Please contact the Court for further assistance. If you are unable to comply with these requirements, then
2. You must file a "Request for Waiver to File by Computer Diskette or Conventionally" as provided for in the Administrative Procedures to indicate your inability to file through use of the Internet component of CM/ECF. If the Court authorizes you to file by diskette, then
3. You must submit your documents on a diskette using PDF format. The Adobe Acrobat software will provide this format. Further instruction may be found in Adobe's manual. Use a separate diskette for each filing. Submit the diskette in an envelope with the case name, case number, type and title of document, and the file name on the diskette. **An original signed copy of the filing shall be retained in the registered participant's files in accordance with the Administrative Procedures.** If you are unable to comply with these requirements or the requirements set forth in item number 1, or the requirement set forth in item number 2, above, then
4. You must submit your documents on a diskette using one of the following formats: Word, WordPerfect, or DOS text (ASCII). **An original signed copy of the filing shall be retained in the registered participant's files in accordance with the Administrative Procedures.** If you are unable to comply with this requirement, the requirements set forth in items number 2 or 3, or the requirements set forth in item number 1, above, then
5. You then may file conventionally on unstapled, unbound, 8.5" x 11" single-sided paper. Documents must be submitted with full signature(s), and will be scanned by the Clerk's Office. The scanned file will constitute the original signature(s). **Include your "Request for Waiver to File by Computer Diskette or Conventionally" with your filing.**

Important Note: All parties without legal representation, except governmental units and institutional entities described in subparagraph I.C.7. of the Administrative Procedures, may file documents conventionally in accordance with the Local Bankruptcy Rules.

Dated: 12/11/2007

William C. Redden
Clerk of the Bankruptcy Court

B10/Movie Gallery (Modified Official Form 10)

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF VIRGINIA		PROOF OF CLAIM
Name of Debtor: _____		Case Number: _____
NOTE: <i>Other than claims under 11 U.S.C. § 503(b)(9), this form should not be used to make a claim for administrative expenses arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503(a).</i>		
Name of Creditor (the person or other entity to whom the debtor owes money or property): _____		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number: _____ (if known) Filed on: _____
Name and address where notices should be sent: _____ <div style="text-align: right;">Telephone number: _____</div>		
Name and address where payment should be sent (if different from above): _____ Telephone number: _____		
1. Amount of Claim as of Date Case Filed: \$ _____ If all or part of your claim is secured, complete item 4 below, however, if all of your claim is unsecured, do not complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		5. Amount of Claim Entitled to Priority under 11 U.S.C. § 507(a) or 11 U.S.C. § 503(b)(9). If any portion of your claim falls in one of the following categories, check the box and state the amount. Specify the priority of the claim. <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950) earned within 180 days before filing of the bankruptcy petition or cessation of the debtors business, whichever is earlier — 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Contributions to an employee benefit plan — 11 U.S.C. § 507(a)(5). <input type="checkbox"/> Up to \$2,425 of deposits toward purchase, lease, or rental of property or services for personal, family, or household use — 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units — 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). Amount entitled to priority: \$ _____ Section 503(b)(9) Claim \$ _____ <input type="checkbox"/> Check this box if your claim is for the value of any goods received by the debtor within 20 days before the commencement of the case in which the goods have been sold to the debtor in the ordinary course of the debtor's business — 11 U.S.C. § 503(b)(9). Include the amount of such claim in the space for "Amount entitled to priority."
2. Basis for Claim: _____ (See instruction #2 on reverse side.)		
3. Last four digits of any number by which creditor identifies debtor: _____ 3a. Debtor may have scheduled account as: _____ (See instruction #3a on reverse side.)		
4. Secured Claim (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ _____ Annual Interest Rate ____ % Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____		
6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim. 7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements or running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See definition of "redacted" on reverse side.) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain: _____		
<div style="border: 1px solid black; padding: 5px; display: inline-block; width: 100px; text-align: center;">Date:</div> Signature: the person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.		FOR COURT USE ONLY

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. Secured Claim.

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien

documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507(a).

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing.

Claim

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. § 101(5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim form is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506(a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507(a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgement of Filing a Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or to view your filed proof of claim you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee if you filed the Proof of Claim with the bankruptcy court or you may access the debtors' restructuring website (www.kccllc.net/moviegallery) for no fee if you filed the Proof of Claim with Kurtzman Carson Consultants LLC, the debtors' notice, claims and balloting agent.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.