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

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

**GENERAL NOTICE OF OCCURRENCE OF EFFECTIVE DATE OF SECOND
AMENDED JOINT PLAN OF REORGANIZATION OF MOVIE GALLERY, INC. AND
ITS DEBTOR SUBSIDIARIES UNDER CHAPTER 11 OF THE BANKRUPTCY CODE
WITH TECHNICAL MODIFICATIONS**

PLEASE TAKE NOTICE THAT, on April 10, 2008, the Honorable Douglas O. Tice Jr., United States Bankruptcy Judge of the United States Bankruptcy Court for the Eastern District of Virginia, entered an order [Docket No. 2191] (the “Confirmation Order”) confirming the Second Amended Joint Plan of Reorganization of Movie Gallery, Inc. and Its Debtor Subsidiaries under

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.



Chapter 11 of the Bankruptcy Code with Technical Modifications [Docket No. 2188] (as confirmed by the Confirmation Order and as may be amended in accordance with the provisions thereof, the “Plan”). The Confirmation Order and the Plan can be viewed at <http://www.kccllc.net/moviegallery>.²

PLEASE TAKE FURTHER NOTICE THAT the Effective Date for all of the Debtors occurred on May 20, 2008. Each of the conditions precedent to consummation of the Plan enumerated in Article IX.B of the Plan have been satisfied or waived in accordance with the Plan.

PLEASE TAKE FURTHER NOTICE THAT each Holder of an Allowed Administrative Claim shall be paid the full unpaid amount of such Claim in Cash (a) on or as soon as reasonably practicable after the Effective Date, (b) if such Claim is Allowed after the Effective Date, on or as soon as reasonably practicable after the date such Claim is Allowed, or (c) upon such other terms as may be agreed upon by the Debtors or the Reorganized Debtors, as applicable, and such Holder or otherwise upon an order of the Bankruptcy Court.

PLEASE TAKE FURTHER NOTICE THAT, except as otherwise provided in Article II.A. of the Plan, unless previously Filed, requests for payment of Administrative Claims, together with accompanying documentation, must be Filed with the Court and served on Movie Gallery Claim Processing Center, c/o Kurtzman Carson Consultants LLC at 2335 Alaska Avenue, El Segundo, California 90245 so as to be received no later than **July 21, 2008**. Holders of Administrative Claims that are required to File and serve a request for payment of such Administrative Claims that do not File and serve such a request by the applicable Claims Bar Date

² Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Plan.

shall be forever barred, estopped and enjoined from asserting such Administrative Claims against the Debtors or any Reorganized Debtors or their Estates and property and such Administrative Claims shall be deemed discharged as of the Effective Date. All such Claims shall, as of the Effective Date, be subject to the permanent injunction set forth in Article X.G of the Plan. Objections to such requests must be Filed and served on the Reorganized Debtors and the requesting party by the later of (a) 180 days after the Effective Date and (b) 90 days after the Filing of the applicable request for payment of Administrative Claims, if applicable.

PLEASE TAKE FURTHER NOTICE THAT Holders of Administrative Claims based on liabilities incurred by a Debtor in the ordinary course of its business, including Claims based on liabilities under Accommodation Agreements, are not required to File or serve any request for payment of such Administrative Claims and such Administrative Claims shall be paid for the ordinary course of business.

PLEASE TAKE FURTHER NOTICE THAT any Unexpired Lease of nonresidential real property subject to the *Order Authorizing the Assumption on May 12, 2008 of Certain Unexpired Leases of Nonresidential Real Property* [Docket No. 2316] (the “Assumption Order”) has been assumed by the Debtors, with such assumption effective as of May 11, 2008. On the Effective Date, all Unexpired Leases of real property subject to the Assumption Order shall be assigned to MG Real Estate pursuant to section 365(f) of the Bankruptcy Code and the Confirmation Order.

PLEASE TAKE FURTHER NOTICE THAT all Executory Contracts and Unexpired Leases, other than Unexpired Leases of nonresidential real property (as such term is used in section 365 of the Bankruptcy Code), listed on the Plan Supplement [Docket Nos. 2337 and 2342] have been assumed by the Debtors, effective as of the Effective Date pursuant to Article VI.C. of the Plan.

PLEASE TAKE FURTHER NOTICE THAT Executory Contracts and Unexpired Leases not listed on the Plan Supplement and Unexpired Leases of nonresidential real property not subject to the Assumption Order are automatically rejected as of the Effective Date, unless such Executory Contract or Unexpired Lease: (a) was previously assumed by the Debtors by Final Order of the Bankruptcy Court; (b) was assumed by the Debtors by order of the Bankruptcy Court as of the Effective Date, which order becomes a Final Order after the Effective Date; (c) is the subject of a motion to assume or reject pending on or before the Effective Date; (d) is an Employee-Related Agreement; (f) is a D&O Liability Insurance Policy; or (g) is an Indemnification Provision. The bar date for filing claims based on rejection of Executory Contracts or Unexpired Leases is the latest of: (a) the applicable Claims Bar Date; (b) the earlier of (i) 60 days after notice of entry of the order authorizing rejection, including the Confirmation Order, and (ii) 120 days after entry of such order; and (c) 60 days after the Effective Date of the rejection of such Executory Contract or Unexpired Lease.

Richmond, Virginia
Dated: May 20, 2008

/s/ Marc J. Carmel

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