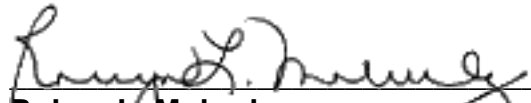


SO ORDERED: March 30, 2017.




Robyn L. Moberly
United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

In re:

hhgregg, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 17-01302-RLM-11

(Jointly Administered)

**ORDER (I) AUTHORIZING AND APPROVING BID
PROCEDURES, (II) APPROVING NOTICE PROCEDURES, (III) SCHEDULING
A SALE HEARING AND (IV) APPROVING PROCEDURES FOR ASSUMPTION
AND ASSIGNMENT AND DETERMINING CURE AMOUNTS (DOC. NO. 99)**

Upon the motion [Docket No. 99] (the “Motion”) of hhgregg, Inc. and certain of its subsidiaries, the debtors and debtors in possession (collectively, the “Debtors”) in the above-captioned jointly administered chapter 11 cases (the “Cases”), for entry of an order, pursuant to sections 105(a), 363, 365, 503 and 507 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2002, 6004 and 6006 of the Federal Rules of Bankruptcy Procedure (the

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: hhgregg, Inc. (0538); Gregg Appliances, Inc. (9508); HHG Distributing LLC (5875). The location of the Debtors’ corporate headquarters is 4151 E. 96th Street, Indianapolis, IN 46240.

“Bankruptcy Rules”) and Rules B-6004-1, B-6004-4, and B-6006-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Southern District of Indiana (the “Local Rules”), (i) authorizing and approving certain proposed bidding procedures (as attached hereto as **Exhibit 1**, the “Bid Procedures”)² governing the submission of proposals to purchase the Purchased Assets pursuant to section 363 of the Bankruptcy Code, (ii) approving the form and manner of notice of the sale of the Purchased Assets, (iii) scheduling a hearing for approval of the sale of the Purchased Assets (the “Sale Hearing”) and setting other dates and deadlines related thereto and (iv) approving procedures for the assumption and assignment of the Debtors’ executory contracts (the “Contracts”) and unexpired leases (the “Leases”) and the form and manner of notice of proposed cure amounts; and it appearing that the relief requested in the Motion is in the best interests of the Debtors’ estates; and after due deliberation, and good and sufficient cause appearing therefor,

IT IS HEREBY FOUND AND DETERMINED THAT:

A. This Court has jurisdiction to consider the Motion in accordance with 28 U.S.C. §§ 157 and 1334 and *Standing Order of Reference* from the United States District Court for the Southern District of Indiana, dated July 11, 1984.

B. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and the Court may enter a final order consistent with Article III of the United States Constitution. Venue of this proceeding and the Motion is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

C. The statutory and legal predicates for the relief requested in the Motion and provided for herein are sections 105(a), 363, 365, 503 and 507 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004 and 6006, and Local Rules B-6004-1, B-6004-4, and B-6006-1.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Sale Motion, the First Day Declaration, or the Bid Procedures, as applicable.

D. The Debtors have articulated good and sufficient reasons for the Court to approve the Bid Procedures. Such good and sufficient reasons were set forth in the Motion, are incorporated by reference herein, and, among other things, form the basis for the findings of fact and conclusions of law set forth herein.

E. The Bid Procedures are fair, reasonable and appropriate and are designed to maximize the value to be received by the Debtors' estates and creditors. The Bid Procedures and all such steps and expenses incurred by the Debtors in connection with the implementation of the Bid Procedures and this Order shall be deemed reasonable and appropriate and within the sound business judgment of the Debtors pursuant to section 363(b) of the Bankruptcy Code.

F. The Motion does not seek approval of any break-up fee, expense reimbursement or other bid protections (collectively, "Bid Protections") and the Court is not approving payment of any Bid Protections pursuant to this Order. The Debtors may seek approval of Bid Protection by filing a separate motion.

G. The sale of the Purchased Assets is in the best interests of the Debtors' estates and represents a reasonable exercise of the Debtors' sound business judgment.

H. The *Notice of Sale, Bid Procedures, Auction and Sale Hearing* (the "Sale Notice"), substantially in the form attached hereto as Exhibit 2, is reasonably calculated to provide all interested parties with timely and proper notice of the proposed sale, including: (i) the date, time and place of the Auction (if one is held), (ii) the Bid Procedures and certain dates and deadlines related thereto, (iii) the objection deadline for the Sale and the date, time and place of the Sale Hearing, (iv) reasonably specific identification of the assets subject to the proposed sale, (v) representations describing the proposed sale as being free and clear of liens, claims, interests and other encumbrances, with all such liens, claims, interests and other

encumbrances attaching with the same validity and priority to the sale proceeds, (vi) the commitment by the Successful Bidder to assume certain liabilities of the Debtors and (vii) notice of the proposed assumption and assignment of Contracts and Leases in connection with the Sale and the procedures and deadlines for objecting thereto. No other or further notice of the proposed sale shall be required.

I. The *Notice of (I) Possible Treatment of Contracts and Leases, (II) Fixing of Cure Amounts, and (III) Deadline to Object Thereto* (the “Cure Notice”) attached hereto as **Exhibit 3** is reasonably calculated to provide all non-Debtor counterparties to the Contracts and Leases with proper notice of the potential assumption and assignment of their Contract or Lease, the proposed cure amounts relating thereto and the related assumption and assignment procedures; provided that the mere listing of any Contract or Lease on the Cure Notice does not require or guarantee that such Contract or Lease will be assumed and assigned, and all rights of the Debtors with respect to such Contracts and Leases are reserved. Such service of the Cure Notice is good and sufficient notice thereof and no further notice thereof is required.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Motion is hereby **GRANTED** as set forth herein.
2. All objections filed, if any, in response to the Motion or the relief requested therein that have not been withdrawn, waived, settled, resolved, or specifically addressed in this Order, and all reservations of rights included in such objections, are specifically overruled in all respects on the merits.

The Bid Procedures

3. The Bid Procedures, attached hereto as **Exhibit 1**, are approved, and the Debtors are authorized to take any and all actions necessary or appropriate to implement the Bid Procedures.

4. The Bid Procedures shall govern the submission, receipt and analysis of all Bids, and any party desiring to submit a going concern or liquidation bid for all or a portion of the Purchased Assets shall do so strictly in accordance with the terms of this Order and the Bid Procedures.

5. The following dates and deadlines regarding competitive bidding are hereby established (subject to modification in accordance with the Bid Procedures):

- a. **Stalking Horse Deadline: March 29, 2017** is the deadline by which the Debtors must enter into a stalking horse agreement with a liquidator and/or a going concern buyer pursuant to the DIP Agreement (the "**Stalking Horse Deadline**"), which agreement shall be filed and served via email and overnight mail to: (i) the U.S. Trustee; (ii) counsel for the Official Committee of Unsecured Creditors, c/o Cathy Hershkopf, Cooley LLP, 1114 Avenue of the Americas, New York, NY 10036 (chershkopf@cooley.com) and Thomas C. Scherer, Bingham Greenebaum Doll LLP, 10 West Market Street, #2700, Indianapolis, IN 46204 (tscherer@bgdlegal.com); (iii) counsel to the Agent for the Debtors' prepetition secured lenders and the lenders providing debtor in possession financing, c/o Sean M. Monahan, Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110 (smonahan@choate.com) and Jay Jaffe, Faegre Baker Daniels, LLP, 600 E. 96th Street, Suite 600, Indianapolis, IN 46240 (jay.jaffe@faegrebd.com); (iv) and (xi) all parties that, as of the filing of this Motion, have requested notice in these chapter 11 cases pursuant to Bankruptcy Rule 2002;
- b. **Bid Deadline: April 7, 2017 at 5:00 p.m. (Prevailing Eastern Time)** is the deadline by which all Qualified Bids must be **actually received** by the parties specified in the Bid Procedures (the "**Bid Deadline**"); and
- c. **Auction: April 10, 2017 at 10:00 a.m. (Prevailing Eastern Time)** is the date and time of the Auction, if one is needed, which will be held at the offices of Ice Miller LLP, One American Square, Suite 2900, Indianapolis, IN 46282, and may be attended by any and all creditors of the Debtors who provide written notice to Debtors' counsel via email to Rachel Mauceri, Esq. (rachel.mauceri@morganlewis.com) and Sarah Fowler, Esq. (sarah.fowler@icemiller.com) prior to commencement of the Auction; **provided**,

however, that the Debtors, in their discretion, shall have the right to hold the Auction on such other date and/or at such other location as determined by the Debtors, with the prior consent of the Committee, and the DIP Lenders (not to be unreasonably withheld, conditioned or delayed) with notice to all Qualified Bidders and any other invitees, including all creditors that provide timely written notice of intent to attend the Auction; provided, further, that the Debtors shall provide 48 hours prior notice of any change of the Auction's location to such parties.

6. Only a Qualified Bidder that has submitted a Qualified Bid will be eligible to participate at the Auction. A Qualified Bid may be a going concern or liquidation bid or collection of bids for a portion, or all of, the Purchased Assets.

7. If the Auction is conducted, (i) each Qualified Bidder participating in the Auction shall be required to confirm that it has not engaged in any collusion with respect to the bidding process or the sale, (ii) each Qualified Bidder participating in the Auction shall be required to confirm that its Qualified Bid is a good faith, *bona fide* offer and it intends to consummate the proposed transaction if selected as the Successful Bidder and (iii) the Auction shall be conducted openly and shall be transcribed or videotaped. As soon as practicable following the conclusion of the Auction, the Debtors shall file a notice identifying the Successful Bidder and a copy of the Successful Bidder's proposed Transaction Documents and serve such notice and documents by fax, email or (if neither is available) overnight delivery to all counterparties to Contracts or Leases (and their counsel, if known) and by fax or email or (if neither is available) by first class mail to all creditors of the Debtors who have requested the same in writing and provided their fax number, email address or street address, as applicable, to Debtors' counsel.

Hearing and Objection Deadlines

8. The Sale Hearing shall take place in this Court (a) on **April 12, 2017 at 2:00 p.m. (Prevailing Eastern Time)** if the Successful Bidder is (i) a stalking horse pursuing a going concern sale (a "Going Concern Stalking Horse"), or (ii) a liquidator; or (b) on **April 17, 2017**

at 9:00 a.m. (Prevailing Eastern Time) if the Successful Bidder is a non-stalking horse bidder that is pursuing a going concern sale (a “Going Concern Non-Stalking Horse”); provided that the Sale Hearing may be adjourned without further notice other than announcement in open Court or by the filing of a notice on the docket of these Cases or a notice of agenda.

9. If the Successful Bidder fails to consummate the proposed transaction, parties shall be given at least seven (7) days’ notice and opportunity to object to the sale to the Back-Up Bidder. For the avoidance of doubt, the scope of the hearing on approval of the sale to the Back-Up Bidder, and any objections, shall be limited to issues relating to the identity of the Back-Up Bidder such as adequate assurance and assignments of Contracts or Leases to the Back-Up Bidder.

10. The deadline to file objections, if any, to the Sale to a Going Concern Stalking Horse or liquidator, including to such Going Concern Stalking Horse or liquidator’s form of Sale Order, assumption or assignment of any Lease or Contract to such Going Concern Stalking Horse or liquidator, or such Going Concern Stalking Horse or liquidator’s Adequate Assurance Package, is **April 11, 2017 at 2:00 p.m. (Prevailing Eastern Time)**. If the assignment of a lease is contested on the basis of adequate assurance of future performance (whether to the Going Concern Stalking Horse or the Going Concern Non-Stalking Horse), consideration of the assignment of that lease will not be addressed at the Sale Hearing and will, instead, be adjourned for consideration at a later hearing on not less than ten (10) days’ notice to the applicable landlord.

11. The deadline to file objections, if any, to the Sale to a Going Concern Non-Stalking Horse, including to such party’s form of sale order, or assumption or assignment of any

Lease or Contract to such party, or such party's Adequate Assurance Package, is **April 13, 2017 at 2:00 p.m. (Prevailing Eastern Time)**.

12. Objections, if any, **must**: (i) be in writing, (ii) conform to the applicable provisions of the Bankruptcy Rules, the Local Rules and any orders of the Court, (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor and (iv) be filed with the Court and served so as to be **actually received** no later than the deadlines described in paragraphs 10-11, as applicable, by the following parties (the "**Notice Parties**") who may be served by email at the addresses indicated below: (a) the Debtors: hhgregg, Inc., 4151 E. 96th Street, Indianapolis, IN 46240, Attn: Candace Bankovich (candace.bankovich@hhgregg.com); (b) counsel to the Debtors: Morgan Lewis & Bockius LLP, 101 Park Avenue, New York, NY 10178, Attn: Neil E. Herman, Esq. (neil.herman@morganlewis.com) and Ice Miller LLP, One American Square, Suite 2900, Indianapolis, IN 46282, Attn: Jeff Hokanson, Esq. (jeff.hokanson@icemiller.com); (c) the Office of the United States Trustee for the Southern District of Indiana (the "**US Trustee**"): 101 W. Ohio St., Ste. 100, Indianapolis, IN 46204, Attn: Ronald J. Moore, Esq. (Ronald.Moore@usdoj.gov); (d) proposed counsel to the official committee of unsecured creditors appointed in the Chapter 11 Cases (the "**Committee**"): Cooley LLP, 1114 Avenue of the Americas, New York, NY 10036, Attn: Cathy Hershcopf, Esq. (email: chershcopf@cooley.com) and Bingham Greenebaum Doll LLP, 2500 National City Tower, 101 South Fifth Street, Louisville, Kentucky 40202, Attn: James R. Irving, Esq. (email: jirving@bgdlegal.com); (e) counsel to the DIP Agent and the Prepetition Agent: Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: John F. Ventola, Esq. and Sean M. Monahan, Esq. (email: jventola@choate.com and smonahan@choate.com) and Faegre Baker

Daniels LLP, 600 E. 96th Street, Suite 600, Indianapolis, Indiana 46240, Attn: Jay Jaffe, Esq. and Terry Hall, Esq. (email: jay.jaffe@faegrebd.com and terry.hall@faegrebd.com); (f) counsel to the FILO Agent, DLA Piper LLP, 1201 North Market Street, Suite 2100, Wilmington, DE 19801, Attn: Stuart Brown, Esq. (email: stuart.brown@dlapiper.com); and (g) Stifel, 787 Seventh Avenue, New York, NY 10019, Attn: Derek Alexander, Esq. (email: alexanderd@stifel.com).

13. Notwithstanding the foregoing, the deadlines described in paragraphs 10-11 may be extended by agreement of the Debtors and the affected objecting party.

14. The sale timetable established pursuant to this Bid Procedures Order, including objection deadlines and the date of the Auction, is attached hereto as **Schedule 1**.

Sale Notice and Related Relief

15. The Sale Notice, substantially in the form attached hereto as **Exhibit 2**, is hereby approved. Within three (3) days of the entry of this Order, the Debtors shall cause the Sale Notice to be served upon (i) the US Trustee, (ii) counsel to the Committee, (iii) counsel to the prepetition secured lenders, (iv) the Internal Revenue Service, (v) any parties who have expressed a written interest in the Debtors' assets, (vi) parties who are known or reasonably believed to have asserted any lien, encumbrance, claim or other interest in the Debtors' assets that are the subject of the proposed sale of the Purchased Assets, if any, (vii) all applicable state and local taxing authorities in the jurisdictions in which the Debtors may have tax liability, (viii) each governmental agency that is an interested party with respect to the sale of the Purchased Assets, (ix) each counterparty to the Debtors' Contracts and Leases (or to known counsel), and (x) all parties who have requested notice under Bankruptcy Rule 2002. In addition, as soon as practicable, but in any event no later than five (5) business days after entry of this

Order, the Debtors shall publish the Sale Notice (modified for publication, as necessary) in the United States edition of *USA Today* or the National Edition of *The New York Times*. The Motion, together with all exhibits and schedules, the Bid Procedures Order, the Bid Procedures, and the Cure Notice will be posted on a page of the website maintained by the claims agent in connection with these cases that is dedicated to the sale (respectively, the “Website” and the “Sale Page”). A link to the Sale Page shall be clearly and prominently listed on the Website, and the Website shall be disclosed in the Sale Notice and Cure Notice. The foregoing methods of such service shall constitute good and sufficient notice of the Sale of the Purchased Assets, this Order, the Auction and all proceedings held thereon.

The Sale Does Not Require the Appointment of a Consumer Privacy Ombudsman

16. In connection with the sale of the Purchased Assets, the Debtors shall be required to abide by their privacy policies in place as of the date of the petition, as such policies may be amended from time to time. Based on the evidence presented at the hearing, this Court finds that, as of the Petition Date, and since at least October 2016, the Debtors have had a privacy policy published on their public website stating that “[i]f hhgregg is involved in the sale of a substantial portion of its business assets, Personal Information may be among the transferred assets.” Accordingly, no consumer privacy ombudsman need be appointed in connection with the sale under section 363(b)(1) of the Bankruptcy Code.

Assumption Procedures

17. The procedures set forth below regarding the proposed assumption and assignment of certain Contracts and Leases that may be designated to be assumed by the Debtors pursuant to section 365(b) of the Bankruptcy Code and assigned pursuant to section 365(f) of the

Bankruptcy Code (collectively, the “Assigned Contracts”) in connection with the sale of the Purchased Assets are hereby approved (the “Assumption Procedures”).

18. These Assumption Procedures, as may be modified or supplemented by the Sale Order, shall govern the assumption and assignment of all Assigned Contracts:

- a. **Cure Notice.** The Cure Notice in the form annexed hereto as Exhibit 3 is hereby approved. The Cure Notice shall inform each recipient that its respective Contract or Lease may be designated as either assumed or rejected and the timing and procedures relating to such designation, and, to the extent applicable (i) the title of the Contract or Lease, (ii) the name of the counterparty to the Contract or Lease, (iii) the Debtors’ good faith estimates of the cure amounts required in connection with such Contract or Lease as of the anticipated Closing Date and (iv) the deadline by which any such Contract or Lease counterparty may file an objection to the proposed assumption and assignment and/or cure amount, and the procedures relating thereto; provided, however, that service of a Cure Notice does not constitute an admission that such Contract or Lease is an executory contract or unexpired lease. The Debtors shall file and serve the Cure Notice on affected non-Debtor counterparties to Contracts and Leases and their counsel (if known) by email, fax or overnight delivery on or before **March 31, 2017**.
- b. **Supplemental Cure Notices.** If the Debtors identify additional Contracts or Leases that might be assumed by the Debtors and assigned in connection with the Sale, the Debtors will promptly file and send a supplemental Cure Notice to the applicable counterparties to such Contract or Lease. In no instance shall a counterparty have less than fourteen (14) calendar days from the date of service of such supplemental Cure Notice to object to the cure amount or to the assumption and assignment of the subject Contract or Lease.
- c. **Adequate Assurance.** **On April 7, 2017** the Debtors shall serve the Adequate Assurance Package and Transaction Documents submitted by each Qualified Bidder upon each affected landlord or other non-Debtor counterparty to a Contract or Lease to be assumed and assigned in connection with a proposed transaction (each, respectively, a “Counterparty” or “Landlord”) (a) by email to the extent such Landlord or Counterparty has provided and email address to the Debtors; or (b) by overnight delivery to such Landlord or Counterparty and its counsel (if known) so as to be received on **April 8, 2017**.
- d. **Confidentiality.** The Debtors shall provide the Landlords and Counterparties with Adequate Assurance Information submitted by Qualified Bidders without the need for a separate confidentiality

agreement. The Landlords and Counterparties and their representatives shall keep the Adequate Assurance Information confidential and use it only in connection with the proposed assumption and assignment of their Leases or Contracts.

- e. **Cure Objections.** The deadline for filing objections to the proposed cure amounts is **April 11, 2017 at 7:00 p.m. (Prevailing Eastern Time)**. Objections **must**: (i) be in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules, Local Rules and any order orders of the Court, (iii) state with specificity the nature of the objection and, the correct cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof and (iv) be filed with the Court and served so as to be **actually received** by the Notice Parties before the objection deadline. Service on the Notice Parties may be by email. If no objection is timely filed, the cure amount proposed by the Debtors shall be binding and shall be the only sum to be paid upon assumption and assignment. If the Debtors' proposed cure amount is disputed by a timely filed cure objection, the parties shall attempt in good faith to reconcile and resolve the amount of arrears owed and, if no agreement is reached, the parties shall submit the dispute to the Bankruptcy Court for resolution at a date and time to be set by the Court.
- f. **Dispute Resolution.** Any objection to the proposed assumption and assignment or related cure of a Contract or Lease in connection with the proposed sale that remains unresolved as of the Sale Hearing shall be heard at the Sale Hearing (or at a later date as fixed by the Court) provided that any such objection may be adjourned, in full or in part, by the Debtors to a later date by listing such adjournment in a notice of agenda or other notice filed on the docket of the Cases and served on counsel to the affected counterparty by email and the Successful Bidder shall be responsible for all costs with respect to such Contract or Lease through the assumption or rejection of such Contract or Lease to the extent set forth in the Successful Bidder's asset purchase agreement. To the extent any such objection is resolved or determined unfavorably to the applicable Debtor, the Debtors may, subject to the terms of an agreement with the Successful Bidder, reject the applicable Contract or Lease after such determination.
- g. **Assumption and Assignment Notice.** The *Notice of Assumption and Assignment of Unexpired Leases and Executory Contracts* (the "**Assumption and Assignment Notice**") attached hereto as **Exhibit 4** is hereby approved. On or before the Closing Date, the Debtors shall file with the Court and serve via first class mail, email or fax the Assumption and Assignment Notice on all non-Debtor counterparties to Contracts and Leases, and their respective known counsel, and provide a copy of same to the Successful Bidder. The Assumption and Assignment Notice shall inform each recipient that its respective Contract or Lease is assumed and assigned, and, to the extent applicable (i) the title of the Contract or Lease,

(ii) the name of the counterparty to the Contract or Lease, (iii) the Determined Cure Costs with respect to each Contract or Lease and (iv) the identity of the Successful Bidder. Upon filing an Assumption and Assignment Notice, and without further order of the Court, but subject to a counterparty's right to object as set forth in this Order, each Contract or Lease listed in such Assumption and Assignment Notice (a) shall be treated as an Assigned Contract under the Sale Order, and (b) shall be assumed by the Debtors and assigned to Successful Bidder upon payment of the cure amount unless otherwise agreed by the relevant counterparty. With respect to the Contracts and Leases listed on the Assumption and Assignment Notice, absent an order of the Court to the contrary, (1) the applicable cure amount for each Contract or Lease listed on such Assumption and Assignment Notice shall be fixed at the amount set forth on such Assumption and Assignment Notice, and the applicable contract counterparty to such Contract or Lease shall be forever bound by such cure amount, provided that the cure amount shall not be less than the amount set forth in the Cure Notice absent order of this Court or consent of the counterparty to such Contract or Lease; (2) pursuant to sections 365(b)(1)(A) and (B) of the Bankruptcy Code, In accordance with the applicable Transaction Documents, the Successful Bidder shall pay to the applicable contract counterparty the cure amount relating to each Contract or Lease listed on such Assumption and Assignment Notice, unless otherwise agreed to between the Successful Bidder and the applicable contract counterparty to a Contract or Lease and (3) upon payment of such cure amounts as provided for herein, the applicable contract counterparty is hereby enjoined from taking any action against Successful Bidder or the Purchased Assets with respect to any claim for cure costs.

- h. **Post-Closing Assumption and Assignment.** In the case of any Contracts and Leases that the Debtors seek to assume and assign after the Closing Date pursuant to the asset purchase agreement of the Successful Bidder, within three (3) Business Days following receipt of a notification by the Successful Bidder that a Contract or Lease is designated for assumption and assignment, the Debtors shall file with the Court a written supplemental Cure Notice of the Debtors' intent to assume and assign such Contract or Lease, substantially in the form of the Cure Notice. The Debtors shall serve such supplemental Cure Notice via first class mail, email or fax (except as set forth in subsection (i), which shall be by overnight mail) on each of the following parties (the "Supplemental Cure Notice Parties"): (i) each counterparty to any such Contract or Lease (and their known counsel) to be assumed or assigned by the Debtors, (ii) the U.S. Trustee, (iii) counsel to the Committee, and (iv) counsel to the Successful Bidder. The Debtors shall also serve on affected counterparties and their respective known counsel by email, fax or overnight delivery Adequate Assurance Information for the Successful Bidder.

The supplemental Cure Notice shall set forth the following information, to the best of the Debtors' knowledge: (i) the street address of the real property that is the subject of any Lease that the Debtors seek to assume and assign or a description of the Contract that the Debtors seek to assume and assign, (ii) the name and address of the affected counterparties (and their known counsel), (iii) a description of the deadlines and procedures for filing objections, if so permitted pursuant to the Assumption Procedures set forth herein, to the supplemental Cure Notice (as set forth below), and (iv) any proposed cure amounts as of that time.

A party in interest may object to a supplemental Cure Notice solely with respect to (i) the proposed cure amount contained therein but only to the extent such objection could not have been raised prior to the Cure Objection Deadline, or (ii) adequate assurance of future performance. Any such objection must be in writing and filed and served so that such objection is filed with this Court and actually received by the Debtors and the Supplemental Cure Notice Parties no later than fourteen (14) calendar days after the date the Debtors served the applicable supplemental Cure Notice.

If no permitted objection is timely filed and served with respect to the supplemental Cure Notice, any non-Debtor party to such Contract or Lease shall be deemed to have consented to the cure amount set forth in such supplemental Cure Notice. If a permitted objection is timely filed and served on the Supplemental Cure Notice Parties in the manner specified above, unless the parties agree otherwise in writing, a hearing will be scheduled to consider that objection. The assumption and assignment of any Contract or Lease set forth in a supplemental Cure Notice shall be deemed to have occurred as of the date of filing of a supplemental Cure Notice upon payment of the cure amount unless otherwise agreed by the relevant counterparty.

In accordance with the applicable Transaction Documents, the Successful Bidder shall be responsible for the payment of all cure amounts for any Contract or Lease that is assumed and assigned to the Successful Bidder.

19. In connection with the sale of any assets of the Debtors that may occur in these cases, the DIP Agent, FILO Agent, and Prepetition Agent may seek to credit bid some or all of their claims for their respective collateral (each a "Credit Bid") pursuant to Section 363(k) of the Bankruptcy Code. A Credit Bid may be applied only to reduce the cash consideration with respect to those assets in which the party submitting such Credit Bid holds a security interest.

The DIP Agent, FILO Agent, and Prepetition Agent shall each be considered a “Qualified Bidder” with respect to its right to acquire all or any of the assets by Credit Bid.

20. The Cure Notice is good, sufficient and appropriate under the circumstances and, except as set forth herein, no other or further notice is, or shall be, required.

21. *Absent further order of this Court to the contrary, any party who fails to timely file an objection to its scheduled cure amount listed on the Cure Notice or any supplemental Cure Notice or to the assumption and assignment of a Contract or Lease (i) shall be forever barred, estopped and enjoined from objecting thereto, including (a) making any demands for additional cure amounts or monetary compensation on account of any alleged defaults for the period prior to the applicable objection deadline against the Debtors, their estates or the Successful Bidder selected at the Auction, if any, with respect to any such Contract or Lease and (b) asserting that the Successful Bidder has not provided adequate assurance of future performance as of the date of the Sale Order or the deadline to object to the supplemental Cure Notice, as applicable, (ii) shall be deemed to consent to (a) the sale of the Purchased Assets as approved by the Sale Order and (b) the assumption and assignment of the Contracts and Leases and (iii) shall be forever barred and estopped from asserting or claiming against the Debtors or the assignee of the relevant Contract or Lease that any conditions to assumption and assignment of such Contract or Lease have not been satisfied (pursuant to section 365 of the Bankruptcy Code or otherwise).*

22. The proposed assumption and assignment of the Assigned Contracts and the Auction shall be conducted solely in accordance with the provisions of this Order, the Bid Procedures and the Assumption Procedures, as applicable.

23. All notices and information sent to non-Debtor counterparties shall be sent to the notice addresses set forth in the respective Contracts and Leases in addition to their respective counsel, if known.

24. Nothing in this Order shall be construed to modify the requirements and provisions of sections 365(b), 365(d)(3), 365(d)(4) or 365(f) of the Bankruptcy Code, or to determine the effective date of rejection for any Contract or Lease which the Debtors may seek to reject.

Other Relief Granted

25. The Debtors are authorized to execute and deliver all instruments and documents and take such other actions, as may be necessary or appropriate to implement and effectuate the transactions contemplated by this Order.

26. The findings and conclusions set forth herein constitute the Bankruptcy Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052. To the extent any findings of fact constitute conclusions of law, they are adopted as such. To the extent any conclusions of law constitute findings of fact, they are adopted as such.

27. All time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

28. To the extent any provisions of this Order are inconsistent with the Motion, the terms of this Order shall control.

29. Notwithstanding the possible applicability of Bankruptcy Rules 6004(h), 7062, 9014 or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon entry hereof.

30. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation or interpretation of this Order.

###

Schedule 1

Sale Timetable

Transaction Timeline

Day	Date	Time	Event
Tuesday	3/21/2017	5:00 PM	Objections to Bid Procedures Motion
Thursday	3/23/2017	9:00 AM	Bid Procedures Hearing
Friday	3/24/2017 ¹		Serve Bid Procedures Order and Sale Notice
Wednesday	3/29/2017		Stalking Horse Deadline
Thursday	3/30/2017 ²		Submit Sale Notice for publication once in the United States edition of USA Today or the National Edition of The New York Times
Friday	3/31/2017		Serve Cure Notice
Friday	4/7/2017	5:00 PM	Bid Deadline and deadline for submitting Preliminary Bid Documents ³
Friday	4/7/2017		Serve adequate assurance packages via email or overnight mail
Monday	4/10/2017	10:00 AM	Auction
			Prior to Commencement of Auction: <ul style="list-style-type: none"> • Notify all Qualified Bidders and Notice Parties of Baseline Bid, and provide each Qualified Bidder copies of Transaction Documents and bid materials submitted by other Qualified Bidders; • Qualified Bidders to inform Debtors if they intent to attend the Auction • Creditors to inform Debtors if they intent to attend the Auction At or Immediately Following Conclusion of Auction: <ul style="list-style-type: none"> • Select Successful Bidder and Back-Up Bidder • File and serve notice of serve notice of Successful Bidder and Transaction Documents on (a) all Contract and Lease counterparties and (b) all creditors that have requested notice
Tuesday	4/11/2017	2:00 PM	Objections to Sale to a Going Concern Stalking Horse or liquidator, including such party's form of sale order, assumption/assignment, adequate assurance, etc.
Tuesday	4/11/2017	7:00 PM	Cure Objections
Wednesday	4/12/2017	12:00 PM	Objections to changes in the Stalking Horse Bid (other than purchase price)
Wednesday	4/12/2017	2:00 PM	Sale Hearing if the Successful Bidder is a Going Concern Stalking Horse or liquidator
Thursday	4/13/2017	2:00 PM	Objections to Sale to Going Concern Non- Stalking Horse, including such party's form of sale order, assumption/assignment, adequate assurance, etc.
Monday	4/17/2017	9:00 AM	Sale Hearing if the Successful Bidder is a Going Concern Non-Stalking Horse
Monday	4/17/2017 ⁴		Return Good Faith Deposits submitted with Qualified Bids

¹ To be completed within 1 day of entry of Bid Procedures Order per Bid Procedures Motion

² To be completed within 5 business days of entry of Bid Procedures Order

³ Preliminary Bid Documents are confidentiality agreements, written statements of bona fide interest in purchasing the Company, evidence of financial ability to close a transaction, etc. Debtors are required to determine if Potential Bidder is a Qualified Bidder within 1 day of such Potential Bidder submitting Preliminary Bid Documents.

⁴ To be completed 5 business days following selection of Successful Bidder and Back-Up Bidder

If Successful Bidder Does Not Close	
7 Days' Notice	If the Successful Bidder fails to close the transaction, parties will have at least 7 days' notice to object to a sale to the Back-Up Bidder. Such objections shall be limited to issues relating to the identity of the Back-Up Bidder and sufficiency of adequate assurance of future performance.
Post-Closing	
5 Days after Closing	Return Good Faith Deposit to Back-Up Bidder
3 Days after Notification of additional Contract or Lease	If the Successful Bidder discovers another Contract or Lease post-closing that it wishes to assume/assign, it will notify the Debtors. Within 3 days of such notification, Debtors will file and serve a Supplemental Cure Notice on the affected counterparties to such Contract or Lease.
14 Days after Service of Supplemental Cure Notice	Counterparties to a Contract or Lease listed in a Supplemental Cure Notice will have 14 days to object to assumption/assignment.

EXHIBIT 1

Bid Procedures

BID PROCEDURES

On March 9, 2017, hhgregg, Inc. and certain of its subsidiaries that are debtors and debtors in possession (collectively, the “Debtors”) in the chapter 11 cases (the “Cases”) pending in the United States Bankruptcy Court for the Southern District of Indiana (“Court”) and jointly administered under Case No. 17-01302-11, filed a motion seeking, among other things, the approval of bid procedures and the sale of substantially all of their assets to the highest or best bidder pursuant to section 363 of the Bankruptcy Code (the “Sale Motion”).¹

On March [], 2017, the Court entered the *Order (I) Authorizing and Approving Bid Procedures, (II) Approving Notice Procedures, (IV) Scheduling a Sale Hearing and (V) Approving Procedures for Assumption and Assignment and Determining Cure Amounts* [Docket No. [●]] (the “Bid Procedures Order”), which, among other things, approved the bidding procedures set forth below (the “Bid Procedures”) governing the submission of going concern or liquidation proposals to purchase some or all of the Purchased Assets pursuant to section 363 of the Bankruptcy Code. The sale of the Purchased Assets will be implemented pursuant to the terms and conditions of the Bid Procedures Order, as the same may be amended pursuant to the terms thereof, subject to the Debtors’ selection in their reasonable discretion, after consultation with the Committee, the DIP Agent, the Prepetition Agent, and the FILO Agent (collectively, the “Consultation Parties”),² of a highest or otherwise best bid as the Successful Bid in accordance with these Bid Procedures.

Investment Opportunity

The Debtors are offering investors the opportunity to purchase all or a portion of the Purchased Assets (free and clear of liens and claims) pursuant to section 363 of the Bankruptcy Code. In furtherance of this, prior to the Petition Date, the Debtors’ investment bankers, Stifel, Nicolaus & Company, Incorporated (“Stifel Nicolaus” and Miller Buckfire & Co., LLC (“Miller Buckfire”, and together with Miller Buckfire, “Stifel”), commenced the distribution of teaser and other promotional materials to potentially interested parties advising them of the opportunity to purchase all or a portion of the Purchased Assets pursuant to section 363 of the Bankruptcy Code.

Notice Parties

Information that must be provided under these Bid Procedures must be provided to the following parties (collectively, the “Notice Parties”) (a) the Debtors: hhgregg, Inc., 4151 E. 96th Street, Indianapolis, IN 46240, Attn: Candace Bankovich (candace.bankovich@hhgregg.com); (b) counsel to the Debtors: Morgan Lewis & Bockius LLP, 101 Park Avenue, New York, NY

¹ Capitalized terms used but not otherwise defined herein will have the meanings ascribed to them in the Sale Motion, the First Day Declaration or the Bid Procedures Order, as applicable.

² Notwithstanding anything to the contrary in these Bid Procedures, the DIP Agent, the Prepetition Agent, and the FILO Agent shall not be considered a Consultation Party if such entities or any related entities submits a Bid on or before the Bid Deadline.

10178, Attn: Neil E. Herman, Esq. (neil.herman@morganlewis.com) and Ice Miller LLP, One American Square, Suite 2900, Indianapolis, IN 46282, Attn: Jeff Hokanson, Esq. (jeff.hokanson@icemiller.com); (c) the Office of the United States Trustee for the Southern District of Indiana (the "US Trustee"): 101 W. Ohio St., Ste. 100, Indianapolis, IN 46204, Attn: Ronald J. Moore, Esq. (Ronald.Moore@usdoj.gov); (d) proposed counsel to the official committee of unsecured creditors appointed in the Chapter 11 Cases (the "Committee"): Cooley LLP, 1114 Avenue of the Americas, New York, NY 10036, Attn: Cathy Hershcopf, Esq. (email: chershcopf@cooley.com) and Bingham Greenebaum Doll LLP, 2500 National City Tower, 101 South Fifth Street, Louisville, Kentucky 40202, Attn: James R. Irving, Esq. (email: jirving@bgdlegal.com); (e) counsel to the DIP Agent and the Prepetition Agent: Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: John F. Ventola, Esq. and Sean M. Monahan, Esq. (email: jventola@choate.com and smonahan@choate.com) and Faegre Baker Daniels LLP, 600 E. 96th Street, Suite 600, Indianapolis, Indiana 46240, Attn: Jay Jaffe, Esq. and Terry Hall, Esq. (email: jay.jaffe@faegrebd.com and terry.hall@faegrebd.com); (f) counsel to the FILO Agent, DLA Piper LLP, 1201 North Market Street, Suite 2100, Wilmington, DE 19801, Attn: Stuart Brown, Esq. (email: stuart.brown@dlapiper.com); and (g) Stifel, 787 Seventh Avenue, New York, NY 10019, Attn: Derek Alexander, Esq. (email: alexanderd@stifel.com).

Participation Requirements

To participate in the formal bidding process or otherwise be considered for any purpose hereunder, a person interested in submitting a bid (an "Interested Party") must, on or before **April 7, 2017 at 5:00 p.m. (Prevailing Eastern Time)**, deliver to each of the Notice Parties, the following documents (the "Preliminary Bid Documents"):

- (a) an executed confidentiality agreement on terms reasonably acceptable to the Debtors (each, a "Confidentiality Agreement");
- (b) a statement and other factual support demonstrating to the Debtors' satisfaction in the exercise of their reasonable business judgment, in consultation with the Consultation Parties, that the Interested Party has a *bona fide* interest in purchasing all or a portion of the Purchased Assets; provided that such information shall not be required to the extent the Interested Party's interest and wherewithal are acknowledged in writing by the Debtors' investment banker; and
- (c) preliminary proof by the Interested Party of its financial capacity to close a proposed transaction at the Purchase Price (as defined below), which may include current unaudited or verified financial statements of, or verified financial commitments obtained by, the Interested Party (or, if the Interested Party is an entity formed for the purpose of acquiring the property to be sold, the party that will bear liability for a breach).

Only those Interested Parties who, in the Debtors' determination, after consultation with the Consultation Parties, have submitted acceptable Preliminary Bid Documents (each, a "Potential Bidder") may submit bids. Once the Debtors determine, after consultation with the

Consultation Parties, that an Interested Party is a Potential Bidder, the Debtors will notify such Potential Bidder, any other Potential Bidders, and the Notice Parties of such determination.

For the avoidance of doubt, these participation requirements do not prohibit Stifel from distributing teaser and other promotional materials to potentially interested parties advising them of the opportunity to purchase all or a portion of the Purchased Assets pursuant to section 363 of the Bankruptcy Code, from engaging in discussions with such parties about the opportunity, or from providing non-confidential documents and information to such parties.

Due Diligence

Only Potential Bidders will be eligible to receive due diligence information concerning the Debtors and their assets. The Debtors will provide to each Potential Bidder reasonable due diligence information, as requested, as soon as reasonably practicable after such request; provided that if any Potential Bidder is (or is affiliated with) a competitor of the Debtors, the Debtors, after consultation with the Consultation Parties, will not be required to disclose to such Potential Bidder any trade secrets or proprietary information unless the Confidentiality Agreement executed by such Potential Bidder contains, in the reasonable discretion of the Debtors, after consultation with the Consultation Parties, appropriate provisions to ensure that such trade secrets or proprietary information will not be used by such Interested Party or Potential Bidder or its affiliates for an improper purpose or to gain an unfair competitive advantage.

Each Potential Bidder will comply with all reasonable requests for additional information and due diligence access by the Debtors or their advisors regarding such Potential Bidder and its contemplated transaction. If the Debtors, after consultation with the Consultation Parties, determine at any time in their reasonable discretion that a Potential Bidder is not reasonably likely to be a Qualified Bidder (as defined below), then the Debtors' obligation to provide due diligence information to such Potential Bidder will terminate and all information provided by the Debtors prior to such time shall be returned to the Debtors in accordance with the terms of the applicable Confidentiality Agreement.

Bid Deadline

The deadline for each Potential Bidder to submit a going concern or liquidation proposal to purchase all or a portion of the Purchased Assets (a "Bid") is **April 7, 2017 at 5:00 p.m. (Prevailing Eastern Time)** (the "Bid Deadline"). A Good Faith Deposit (as defined below) must be contemporaneously provided with any Bid by wire transfer or certified check pursuant to delivery instructions to be provided by the Debtors before the Bid Deadline. Each Potential Bidder will deliver written copies of each Bid by electronic mail to the Notice Parties.

Bid Requirements

To be eligible to participate in the Auction, each Bid by a Potential Bidder must:

- (a) state that the applicable Potential Bidder offers to purchase all or a portion of the Purchased Assets;

- (b) be accompanied by a deposit (each, a “Good Faith Deposit”) in the form of a wire transfer or certified check or such other form acceptable to the Debtors, payable to the order of the Debtors, in an amount equal to 10% of the cash portion of the Purchase Price being bid;
- (c) specify the amount of cash or other consideration offered by the Potential Bidder (the “Purchase Price”). In determining the value of such Bid, the Debtors, in consultation with the Consultation Parties, will not be limited to evaluating the dollar amount of a Bid, but may also consider factors including, but not limited to, the liabilities and other obligations to be performed or assumed by the Potential Bidder, the additional administrative and prepetition claims likely to be created by such Bid in relation to other Bids, and other factors affecting the speed, certainty and value of the proposed transactions;
- (d) be binding and irrevocable by the Potential Bidder until the selection of the Successful Bid and the Back-Up Bid, if any, in accordance with the terms of these Bid Procedures; provided that if such Potential Bidder is selected as the Back-Up Bidder its Bid must remain binding and irrevocable until the earlier of (i) the Debtors’ consummation of a sale with the Successful Bidder and (ii) the date that is twenty (20) days after the Auction;
- (e) include an executed asset purchase agreement or agency agreement, together with all exhibits and schedules thereto, pursuant to which the Proposed Bidder proposes to effectuate a proposed transaction at the Purchase Price (the “Transaction Documents”);
- (f) to the extent applicable, include a list which specifies in detail which of the Debtors’ unexpired leases and executory contracts may be assumed and assigned in connection with the consummation of the proposed transaction;
- (g) not be conditioned on unperformed due diligence, obtaining financing or any internal approval;
- (h) include (i) a description of all governmental, licensing, regulatory or other filings, approvals or consents that are required to be made or obtained to close the proposed transaction, together with evidence of the ability to make or obtain such filings, consents or approvals in a timely manner, as well as a description of any material contingencies or other conditions that will be imposed upon, or that will otherwise apply to, the making, obtainment or effectiveness of any such filings, consents or approvals and (ii) an estimated timeframe for making and/or obtaining any such required governmental, licensing, regulatory or other filings, approvals or consents;
- (i) contain written evidence of a commitment for financing or other evidence of the ability to consummate a proposed transaction at the Purchase Price, satisfactory to the Debtors in their reasonable discretion after consultation with the Consultation Parties, with appropriate contact information for such financing sources;

- (j) contain written evidence satisfactory to the Debtors in their reasonable discretion, after consultation with the Consultation Parties, of authorization and approval from the Potential Bidder's board of directors (or comparable governing body), if any, with respect to the submission, execution, delivery and consummation of such Bid and the transaction(s) contemplated therein and any Overbid(s) (as defined below), and related Transaction Documents;
- (k) not request or entitle the Potential Bidder to any break-up fee, termination fee, expense reimbursement or similar type of payment;
- (l) waive any right to seek a claim for substantial contribution in connection with the Debtors' bankruptcy cases;
- (m) fully disclose the identity of each entity that will be bidding for all or a portion of the Purchased Assets or otherwise sponsoring, financing (including through the issuance of debt in connection with such Bid), participating in or benefiting from (including through license or similar arrangement with respect to the assets to be acquired in connection with such Bid) such Bid, and the complete terms of any such sponsorship, participation, financing or benefit;
- (n) state that it constitutes a good faith, *bona fide* offer and that the Potential Bidder intends to consummate the proposed transaction if selected as the Successful Bidder or the Back-Up Bidder;
- (o) include a written acknowledgement by such Potential Bidder that it agrees to all of the terms for sale set forth in these Bid Procedures, and that, if selected as the Successful Bidder or Back-Up Bidder, it shall increase its Good Faith Deposit to an amount equal to 10% of the Purchase Price pursuant to its final bid;
- (p) state that such Potential Bidder will comply with the Sellers' existing privacy policy, as more fully set forth in the Transaction Documents;
- (q) include an agreement to provide any other information reasonably requested by the Debtors and Consultation Parties prior to the Auction;
- (r) be received by the Bid Deadline; and
- (s) to the extent applicable, be accompanied by an Adequate Assurance Package (defined below).

Designation as Qualified Bidder

A qualified bidder ("Qualified Bidder") is a Potential Bidder that, in the Debtors' reasonable determination after consultation with the Consultation Parties, (i) has timely submitted a Bid that satisfies each of the requirements listed above in the section entitled "Bid Requirements" that is accompanied by a Good Faith Deposit, Adequate Assurance Package and executed Transaction Documents, and (ii) is able to consummate the proposed transaction within the required timeframe if selected as the Successful Bidder (such Bid submitted by a Qualified

Bidder, a “Qualified Bid”). A Qualified Bid may be a going concern or liquidation bid or collection of bids for any portion, or all, of the Purchased Assets.

Within one (1) Business Day after a Potential Bidder delivers all of the documents described above in the section entitled “Bid Requirements,” the Debtors will determine in their reasonable discretion after consultation with the Consultation Parties whether such Potential Bidder is a Qualified Bidder, and notify the Potential Bidder of such determination.

The Debtors, after consulting with the Consultation Parties, may accept as a single Qualified Bid, multiple bids for non-overlapping portions of the Purchased Assets such that, when taken together in the aggregate, such bids would otherwise meet the standards for a single Qualified Bid. The Debtors, after consulting with the Consultation Parties, may also permit otherwise Qualified Bidders who submitted bids by the Bid Deadline for less than a substantial (but nevertheless material) portion of the Purchased Assets but who were not identified as a component of a single Qualified Bid consisting of such multiple bids, to participate in the Auction and to submit higher or otherwise better bids that, in subsequent rounds of bidding, may be considered together with other bids for non-overlapping material portions of the Assets, as part of such a single Qualified Bid for overbid purposes. Bids may be paired at the Auction with other Qualified Bids for the non-overlapping assets at the discretion of the Debtors and Consultation Parties in order to maximize value. In the event that a going concern bid is paired with a liquidation bid, the Successful Bidder with respect to the liquidation bid shall continue to have full access to intellectual property, customer lists, and any other equipment or collateral necessary for completion of the liquidation.

Notwithstanding the foregoing, if a bid submitted on or prior to the Bid Deadline fails to meet all the requirements of a Qualified Bid, the Debtors are entitled to work with the bidder in an effort to cure any defects in the bid and to cause such bid to become a Qualified Bid prior to the commencement of the Auction. In addition, the Debtor, in consultation with the Consultation Parties, may waive one or more defects and cause such bid to be a Qualified Bid prior to the commencement of or during the Auction.

Adequate Assurance Packages

Each Qualified Bid that provides for assignment and assumption of any of the Debtors’ Leases or Contracts shall be accompanied by written documentation sufficient to demonstrate the Potential Bidder’s ability to satisfy the adequate assurance requirements of Bankruptcy Code § 365 and, to the extent applicable, the “shopping center” provisions (an “Adequate Assurance Package”) including, without limitation:

- (a) the exact name of the Potential Bidder and the exact name of the entity which is going to be designated as the proposed assignee of the Lease or Contract (the “Proposed Assignee”);
- (b) the Proposed Assignee’s and/or any guarantor’s audited financial statements (or un-audited, if audited financials are not available) and any supplemental schedules for the calendar or fiscal years ending 2015 and 2016;

- (c) the number of stores the Proposed Assignee operates and all trade names that the Proposed Assignee uses;
- (d) with respect to any Lease, a statement setting forth the Proposed Assignee's intended use of the premises;
- (e) the Proposed Assignee's retail experience and experience operating in-line stores in a shopping center, specifically stores selling appliances, electronics, and furniture;
- (f) the Proposed Assignee's business plans, including sales and cash flow projections; and
- (g) evidence that the Proposed Assignee has obtained authorization or approval from its board of directors (of other comparable governing body) (collectively the "Adequate Assurance Information").

On **April 7, 2017**, the Debtors shall serve the Adequate Assurance Package (to the extent applicable) and Transaction Documents submitted by each Qualified Bidder upon each affected landlord or other non-Debtor counterparty to a Contract or Lease to be assumed and assigned in connection with a proposed transaction (each, respectively, a "Counterparty" or "Landlord") (a) by email to the extent such Landlord or Counterparty has provided and email address to the Debtors; or (b) by overnight delivery to such Landlord or Counterparty and its counsel (if known) so as to be received on **April 8, 2017**.

The Debtors shall provide the Landlords and Counterparties with Adequate Assurance Information (to the extent applicable) submitted by Qualified Bidders without the need for a separate confidentiality agreement. The Landlords and Counterparties and their representatives shall keep the Adequate Assurance Information confidential and use it only in connection with the proposed assumption and assignment of their Leases or Contracts.

Credit Bid

In connection with the sale of any assets of the Debtors that may occur in these cases, the DIP Agent, the FILO Agent, and the Prepetition Agent may seek to credit bid some or all of their claims for their respective collateral (each a "Credit Bid") pursuant to Section 363(k) of the Bankruptcy Code. A Credit Bid may be applied only to reduce the cash consideration with respect to those assets in which the party submitting such Credit Bid holds a security interest. The Prepetition Agent shall be considered a "Qualified Bidder" with respect to its right to acquire all or any of the assets by Credit Bid.

Landlords' Right to Bid

Landlords shall have the right to bid for their own Leases only if there is no “going concern” bid for substantially all of the Debtors’ assets.³ In the situation where a Landlord shall have the right to bid, the following bid procedures shall apply:

- (a) no deposit shall be required for a Landlord bidding on any of its own Leases (but a 10% deposit shall be required if a bid is for any other Lease or property);
- (b) a Landlord may “credit bid” for outstanding arrears under its own Lease , subject to review and consent by the Debtors in consultation with the Committee, DIP Agent, and the FILO Agent as to the amount;
- (c) Landlords bidding for their own leases shall be deemed to be Qualified Bidders;
- (d) any Landlord or its representative who appears at the Auction shall be deemed to have consented to these bid procedures; and
- (e) bids by Landlords must be accompanied by a signed, binding assignment agreement (or Lease termination agreement) that is not subject to any closing conditions other than Bankruptcy Court approval.

Adjustment Amounts, Etc.

Notwithstanding anything to the contrary herein, any purchaser that assumes Leases of the Debtors shall be responsible for continuing obligations under such Assigned Leases *cum onere* including, without limitation: (i) amounts billed in the ordinary course of business under the terms of the respective Lease; (ii) liabilities for any breach of the respective Lease occurring after the effective date of assignment; (ii) obligations to pay year-end adjustments and reconciliations, including, without limitation, adjustments for 2016 and 2017 (the “Adjustment Amounts”), which have not yet been billed or have not yet become due under the terms of the respective Lease regardless of when such Adjustment Amounts were incurred; and (iv) obligations to indemnify the Landlord for pre-assignment claims of third parties pursuant to the terms of the respective lease. The purchaser shall retain any defenses provided by the respective lease.

“As Is, Where Is”

Any sale or transfer of the Purchased Assets will be on an “as is, where is” basis and without representations or warranties of any kind by the Debtors, their agents or the Debtors’ chapter 11 estates, except and solely to the extent expressly set forth in a final purchase agreement approved by the Court as the Successful Bid. Each Qualified Bidder will be required to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Debtors’ assets that are the subject of the Auction prior to making its Bid and that

³ For the avoidance of doubt, Counterparties will not be permitted to credit bid their Contracts.

it has relied solely upon its own independent review and investigation in making its Bid. Except as otherwise provided in a final purchase agreement approved by the Court as the Successful Bid, all of the Debtors' right, title and interest in the Purchased Assets will be sold or transferred free and clear of all Liens (other than Permitted Encumbrances) with any Liens (other than Permitted Encumbrances) to attach to the proceeds of the sale of the Purchased Assets as provided in the proposed form of sale order attached to the Sale Motion.

Auction

If the Debtors receive one or more Qualified Bids, the Debtors will conduct an auction (the "Auction") in consultation with the Consultation Parties to determine the highest or otherwise best bids with respect to the Purchased Assets. The Auction will commence on **April 10, 2017 at 10:00 a.m. (Prevailing Eastern Time)** at the offices of Ice Miller LLP, One American Square, Suite 2900, Indianapolis, IN 46282, and may be attended by any and all creditors of the Debtors who provide written notice to Debtors' counsel by email to Rachel Mauceri, Esq. (rachel.mauceri@morganlewis.com) and Sarah Fowler, Esq. (sarah.fowler@icemiller.com) prior to the commencement of Auction, except that any Consultation Party and its counsel shall not be required to provide such notice; provided, however, that the Debtors, in their discretion, shall have the right to hold the Auction on such other date and/or at such other location as determined by the Debtors, with the prior consent of the Committee, and the DIP Lenders (not to be unreasonably withheld, conditioned or delayed) with notice to all Qualified Bidders and any other invitees, including all creditors that provide timely written notice of intent to attend the Auction; provided, further, that the Debtors shall provide 48 hours prior notice of any change of the Auction's location to such parties.

Prior to the commencement of the Auction, the Debtors will (i) notify all Qualified Bidders and Notice Parties in writing of the highest or otherwise best Qualified Bids, as determined by the Debtors in their reasonable discretion after consultation with the Consultation Parties (the "Baseline Bid"), and (ii) provide all Qualified Bidders and Notice Parties with complete copies of all Transaction Documents and all other bid materials submitted by each other Qualified Bidder, subject to exclusion of any confidential financial information as determined by the Debtors in their reasonable discretion or which has been so designated by the applicable Qualified Bidder. The Debtors' determination of which Qualified Bid constitutes the Baseline Bid shall take into account the projected percentage recovery to general unsecured creditors pursuant to such Qualified Bid, whether all administrative, priority and secured claims will be paid in full under such Qualified Bid and any other factors the Debtors reasonably deem relevant to the value of the Qualified Bid to the estates. Prior to the commencement of the Auction, each Qualified Bidder who has timely submitted a Qualified Bid must inform the Debtors whether it intends to attend the Auction; provided that in the event a Qualified Bidder elects not to attend the Auction, such Qualified Bidder's Qualified Bid will nevertheless remain fully enforceable against such Qualified Bidder.

Prior to the commencement of the Auction, each Qualified Bidder who has timely submitted a Qualified Bid must inform the Debtors whether it intends to attend the Auction; provided that in the event a Qualified Bidder elects not to attend the Auction, such Qualified Bidder's Qualified Bid will nevertheless remain fully enforceable against such Qualified Bidder.

If there is an Auction, it will be conducted in accordance with the following procedures:

- (a) Only a Qualified Bidder that has submitted a Qualified Bid will be eligible to participate at the Auction. Only the authorized representatives of each of the Qualified Bidders, the Debtors, and the Consultation Parties will be permitted to attend the Auction. In addition, all creditors of the Debtors may attend the Auction, provided that prior to the commencement of the Auction they send notice to Debtors' counsel by email to Rachel Mauceri, Esq. (rachel.mauceri@morganlewis.com) and Sarah Fowler, Esq. (sarah.fowler@icemiller.com) indicating that they intend to attend the Auction. Such notice should include an email address or fax number where the creditor can be reached to be notified of any change in the location or date of the Auction.
- (b) The Debtors and their professionals will direct and preside over the Auction. At the start of the Auction, the Debtors will describe the terms of the Baseline Bid. All Bids made thereafter must be Overbids (as defined below) and will be made and received on an open basis, and all material terms of each Bid will be fully disclosed to all other Qualified Bidders. The Debtors will maintain a transcript of all Bids made and announced at the Auction, including the Baseline Bid, all Overbids, the Successful Bid and the Back-Up Bid. Each Qualified Bidder will be required to confirm on the record of the Auction that it has not engaged in any collusion with respect to the bidding or the sale of the Purchased Assets. The Debtors, in their reasonable discretion after consultation with the Consultation Parties, reserve the right to conduct the auction in a manner designed to maximize value based upon the nature and extent of the Qualified Bids received.
- (c) During the Auction, bidding will begin initially with the Baseline Bid and subsequently continue in minimum increments of at least \$100,000 (each, an "Overbid"). The Debtors will announce at the Auction the material terms of each Overbid, value each Overbid in accordance with these Bid Procedures and provide each Qualified Bidder with an opportunity to make a subsequent Overbid. Additional consideration in excess of the amount set forth in the Baseline Bid may include cash and/or other consideration acceptable to the Debtors, in consultation with the Consultation Parties, in accordance with these Bid Procedures. To the extent that an Overbid has been accepted entirely or in part because of the addition, deletion, or modification of a provision or provisions in the applicable Transaction Documents, the Debtors will provide notice to each participant of the value ascribed by the Debtors to any such added, deleted, or modified provision or provisions, with such value being determined by the Debtors in their reasonable discretion after consultation with the Consultation Parties.
- (d) Any Overbid made from time to time by a Qualified Bidder must remain open and binding on the Qualified Bidder until and unless (i) the Debtors accept a higher or otherwise better bid submitted by another Qualified Bidder during the Auction as an Overbid and (ii) such Overbid is not selected as the Back-Up Bid (as defined below). To the extent not previously provided (which will be determined by the

Debtors), a Qualified Bidder submitting an Overbid must submit at the Debtors' request, as part of its Overbid, written evidence (in the form of financial disclosure or credit-quality support information or enhancement reasonably acceptable to the Debtors) demonstrating such Qualified Bidder's ability to close the transaction at the purchase price contemplated by such Overbid.

The Debtors, after consultation with the Consultation Parties, reserve the right to make one or more adjournments in the Auction to, among other things (i) facilitate private discussions with individual Qualified Bidders and negotiate the terms of their Overbids, (ii) facilitate private discussions with groups of Qualified Bidders regarding the possibility of combining their bids into a broader transaction, (iii) allow individual Qualified Bidders to consider how they wish to proceed, and (iv) give Qualified Bidders the opportunity to provide the Debtors with such additional evidence as the Debtors may require in their reasonable discretion, after consultation with the Consultation Parties, to determine that the Qualified Bidder has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount.

Selection of Successful Bid

At the conclusion of the Auction, the Debtors, in the exercise of their reasonable business judgment, in consultation with the Consultation Parties, will select (i) the highest or otherwise best bid or collection of bids submitted by one or more Qualified Bidders during the Auction that the Debtors believe is most beneficial to the Debtors' estates (the "Successful Bid"), and (ii) at the Debtors' discretion, the next highest or otherwise best bid or collection of bids after the Successful Bid (the "Back-Up Bid"). In selecting the Successful Bid and the Back-Up Bid, if any, the Debtors, in consultation with the Consultation Parties, shall take into account, among other things: (i) the type and nature of any provisions contained in each Bid and the extent to which such modifications are likely to delay closing of the contemplated transaction and the cost to the Debtors of such modifications or delay; (ii) the liabilities being assumed; (iii) the likelihood of the Qualified Bidder's ability to close its proposed transaction and the timing thereof; (iv) the likely employment of employees over the long term; (v) the expected net benefit of the transaction to the Debtors' estates; and (vi) any other factors the Debtors, in consultation with the Consultation Parties, may reasonably deem relevant. The Qualified Bidder or Bidders that submit the Successful Bid will be deemed the "Successful Bidder." The Qualified Bidder or Bidders that submit the Back-Up Bid, if any, will be deemed the "Back-Up Bidder". The DIP Agent, and the FILO Agent reserve the right to reject any bid or collection of bids that does not qualify as a "Permitted Sale" under the Debtors' debtor-in-possession credit facility.

The Auction will close when the Debtors announce that the Auction has concluded and a Successful Bid and, to the extent the Debtors determine, a Back-Up Bid, have been selected. Notwithstanding anything herein to the contrary, the Debtors, in consultation with the Consultation Parties, are authorized, but not required, to select a Back-Up Bidder and a Back-Up Bid. For the avoidance of doubt, the Debtors will not consider or support any bid for any of the Purchased Assets (whether or not such bid is made by a Qualified Bidder) received after the close of the Auction.

The Successful Bidder and Back-Up Bidder shall each increase the amount of its Good Faith Deposit so that it is equal to at least 10% of the Purchase Price set forth in its final bid.

As soon as practicable after the conclusion of the Auction, the Debtors shall file and deliver a notice identifying the Successful Bidder and a copy of the Successful Bidder's proposed Transaction Documents by fax, email or (if neither is available) overnight delivery to all counterparties to Contracts or Leases and by fax or email to all creditors of the Debtors who have requested the same in writing and provided their fax number, email address or street address, as applicable, to Debtors' counsel.

The Back-Up Bid, if any, will remain open and binding on the Back-Up Bidder until the earlier of (a) consummation of the Successful Bid with the Successful Bidder, and (b) twenty (20) days after the Auction. If the Successful Bidder fails to consummate the Successful Bid within the time set forth therein, the Debtors will be authorized, in consultation with the Consultation Parties, but not required, to select the Back-Up Bidder, if any, as the new Successful Bidder, and shall proceed to consummate the Successful Bid of the new Successful Bidder.

Implementation of the Sale

The hearing to authorize the sale of the Purchased Assets to the Successful Bidder pursuant to the Successful Bid (the "Sale Hearing") will be held before the Court (a) on **April 12, 2017 at 2:00 p.m. (Prevailing Eastern Time)** if the Successful Bidder is (i) a stalking horse pursuing a going concern sale (a "Going Concern Stalking Horse"), or (ii) a liquidator; or (b) on **April 17, 2017 at 9:00 a.m. (Prevailing Eastern Time)** if the Successful Bidder is a non-stalking horse bidder that is pursuing a going concern sale (a "Going Concern Non-Stalking Horse"). The Sale Hearing may be adjourned or rescheduled by the Debtors, with the consent of the Successful Bidder, and in consultation with the Consultation Parties, to a time and date consistent with the Court's calendar, as set forth in notice on the docket of the Cases, a notice of agenda or stated orally at the Sale Hearing. The Debtors may not consider or support any other bid to purchase the Purchased Assets pending consideration by the Court of the Successful Bid at the Sale Hearing.

Upon the Court's approval of the Successful Bid, the Successful Bid will be deemed accepted by the Debtors, and the Debtors will be bound to the terms of that Successful Bid with no further opportunity for an auction or other process.

If the Successful Bidder fails to consummate the proposed transaction, parties will have at least seven (7) days' notice and opportunity to object to the sale to the Back-Up Bidder. For the avoidance of doubt, the scope of the hearing on approval of the sale to the Back-Up Bidder, and any objections, shall be limited to issues relating to the identity of the Back-Up Bidder such as adequate assurance and assignments of Contracts or Leases to the Back-Up Bidder.

Consent to Jurisdiction as Condition to Bidding

All Qualified Bidders at the Auction will be deemed to have consented to the exclusive jurisdiction of the Court with respect to all matters relating to the Auction and the construction

and enforcement of each Qualified Bidder's Transaction Documents, and waived any right to a jury trial in connection with any disputes relating to the Auction.

Return of Good Faith Deposit

All Good Faith Deposits will be held by the Debtors in a non-interest-bearing escrow or trust account. Good Faith Deposits of Qualified Bidders, other than the Successful Bidder and the Back-Up Bidder, if any, will be returned to the unsuccessful bidders within five (5) Business Days after selection of the Successful Bidder and Back-Up Bidder, if any, in accordance with these Bid Procedures. The Successful Bidder's Good Faith Deposit will be applied to the Purchase Price of the Successful Bid at closing, and the Debtors will be entitled to retain such Good Faith Deposit as part of their damages if the Successful Bidder fails to meet its obligations to close the transaction contemplated by the Successful Bid. The Good Faith Deposit of the Back-Up Bidder, if any, will be returned to the Back-Up Bidder, if any, within five (5) Business Days after the consummation of the sale with the Successful Bidder.

If the Successful Bidder or the Back-Up Bidder (if the Successful Bidder fails to consummate the proposed transaction) fails to enter into an asset purchase agreement as promptly as practicable or consummate the proposed transaction consistent with the Successful Bid or Back-Up Bid (if applicable), because of a breach or failure to perform on the part of the Successful Bidder or Back-Up Bidder (if applicable), all parties in interest reserve the right to seek all available damages from the defaulting Successful Bidder or Back-Up Bidder (if applicable), including specific performance and retention of the Good Faith Deposit.

Reservation of Rights

The Debtors, in consultation with the Consultation Parties, reserve the right to (i) modify these Bidding Procedures in any manner that will best promote the goals of the bidding process; or (ii) impose, at or before the Auction, additional customary terms and conditions on the Sale, but only to the extent that such revisions are not inconsistent with the Bidding Procedures Order. Without limiting the foregoing, the Debtors reserve the right, as they may reasonably determine to be in the best interests of their estates and in consultation with the Consultation Parties, to: (i) determine which bidders are Qualified Bidders; (ii) determine which bids are Qualified Bids; (iii) determine which Qualified Bid or combination of Qualified Bids is the highest or otherwise best proposal and which is the next highest or otherwise best proposal; (iv) reject any bid that is (a) inadequate or insufficient, (b) not in conformity with the requirements of the Bidding Procedures or the requirements of the Bankruptcy Code, or (c) contrary to the best interests of the Debtors and their estates; (v) remove assets from the Sale; (vi) waive terms and conditions set forth herein with respect to Potential Bidders; (vii) impose additional terms and conditions with respect to all Potential Bidders; (viii) extend the deadlines set forth herein; (ix) adjourn or cancel the Auction and/or Sale Hearing in open court without further notice; (x) effectuate the sale of all or any part of their assets through a plan pursuant to section 1129 of the Bankruptcy Code or (xi) withdraw the Motion at any time prior to the Sale Hearing with or without prejudice.

EXHIBIT 2

Sale Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

<p>In re:</p> <p>hhgregg, Inc., <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>Chapter 11</p> <p>Case No. 17-01302-RLM-11</p> <p>(Jointly Administered)</p>
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NOTICE OF SALE, BID PROCEDURES, AUCTION AND SALE HEARING

PLEASE TAKE NOTICE that, on March 9, 2017, the above-captioned debtors and debtors-in-possession (the “Debtors”) filed the *Motion for Orders (A)(I) Scheduling a Bid Procedure Hearing; (II) Authorizing and Approving Bid Procedures; (III) Approving Notice Procedures; (IV) Scheduling a Sale Hearing; and (V) Approving Procedures for Assumption and Assignment and Determining Cure Amounts and (B)(I) Authorizing the Sale of Substantially all of the Debtors’ Assets Free and Clear of all Claims, Liens, Rights, Interests, and Encumbrances; (II) Approving the Successful Bidder Purchase Agreement; and (III) Authorizing the Debtors to Assume and Assign Certain Executory Contracts and Unexpired Leases* [Docket No. 99] (the “Sale Motion”),² with the United States Bankruptcy Court for the Southern District of Indiana (the “Court”), seeking, among other things, entry of an order (the “Sale Order”) authorizing and approving: (a) the sale (the “Sale”) of certain assets (the “Purchased Assets”) free and clear of all liens, claims, encumbrances, and other interests (other than Permitted Encumbrances), with all such liens, claims, encumbrances, and other interests attaching with the same validity and priority to the Sale proceeds, subject to higher or otherwise better offers; and (b) certain procedures for the assumption and assignment of executory contracts (the “Contracts”) and unexpired leases (the “Leases”) in connection with the Sale.

PLEASE TAKE FURTHER NOTICE that the Debtors are soliciting going concern and liquidation offers to purchase all or a portion of the Purchased Assets and assumption of the assumed liabilities of the Debtors consistent with the Bid Procedures (the “Bid Procedures”) approved by the Court by entry of an order on March [___], 2017 [Docket No. ___] (the “Bid Procedures Order”).

PLEASE TAKE FURTHER NOTICE that the deadline for each Potential Bidder to submit a proposal to purchase the Purchased Assets is **April 7, 2017 at 5:00 p.m. (Prevailing Eastern Time)** (the “Bid Deadline”). **All interested bidders should carefully read the Bid Procedures and Bid Procedures Order.** To the extent that there are any inconsistencies

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: hhgregg, Inc. (0538); Gregg Appliances, Inc. (9508); HHG Distributing LLC (5875). The location of the Debtors’ corporate headquarters is 4151 E. 96th Street, Indianapolis, IN 46240.

² Unless otherwise stated, all capitalized terms not defined herein shall have the same meaning as set forth in the Sale Motion.

between this notice and the Bid Procedures or Bid Procedures Order, the Bid Procedures or Bid Procedures Order, as applicable, shall govern in all respects.

PLEASE TAKE FURTHER NOTICE that, if the Debtors receive Qualified Bids within the requirements specified by the Bid Procedures, the Debtors will conduct an auction (the "Auction") of the Purchased Assets on **April 10, 2017 at 10:00 a.m. (Prevailing Eastern Time)** at the offices of at the offices of Ice Miller LLP, One American Square, Suite 2900, Indianapolis, IN 46282 (or at any other location as the Debtors may hereafter provide notice of in accordance with the Bid Procedures and Bid Procedures Order).

PLEASE TAKE FURTHER NOTICE that The Debtors, after consulting with the Consultation Parties, may accept as a single Qualified Bid, multiple bids for non-overlapping portions of the Purchased Assets such that, when taken together in the aggregate, such bids would otherwise meet the standards for a single Qualified Bid. The Debtors, after consulting with the Consultation Parties, may also permit otherwise Qualified Bidders who submitted bids by the Bid Deadline for less than a substantial (but nevertheless material) portion of the Purchased Assets but who were not identified as a component of a single Qualified Bid consisting of such multiple bids, to participate in the Auction and to submit higher or otherwise better bids that, in subsequent rounds of bidding, may be considered together with other bids for non-overlapping material portions of the Assets, as part of such a single Qualified Bid for overbid purposes. Bids may be paired at the Auction with other Qualified Bids for the non-overlapping assets at the discretion of the Debtors and Consultation Parties in order to maximize value.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bid Procedures Order, a hearing will be held before the Honorable Judge Robyn L. Moberly, United States Bankruptcy Judge, in Courtroom 329 of the United States Bankruptcy Court for the Southern District of Indiana, 46 East Ohio Street, Indianapolis, IN 46204, to consider approval of the Sale (the "Sale Hearing") (a) on **April 12, 2017 at 2:00 p.m. (prevailing Eastern Time)** if the Successful Bidder is (i) a stalking horse pursuing a going concern sale (a "Going Concern Stalking Horse"), or (ii) a liquidator; or (b) on **April 17, 2017 at 9:00 a.m. (Prevailing Eastern Time)** if the Successful Bidder is a non-stalking horse bidder that is pursuing a going concern sale (a "Going Concern Non-Stalking Horse"). The Sale Hearing may be rescheduled or continued from time to time without further notice other than the announcement of the adjourned date(s) at the Sale Hearing or any continued hearing or on the applicable hearing agenda or other notice filed on the docket of these Chapter 11 Cases.

PLEASE TAKE FURTHER NOTICE that, the deadline to file objections, if any, to proposed cure amounts (each, a "Cure Objection"), is **April 11, 2017 at 7:00 p.m. (Prevailing Eastern Time)** (the "Cure Objection Deadline").

PLEASE TAKE FURTHER NOTICE that the deadline to file objections, if any, to the Sale to a Going Concern Stalking Horse or liquidator, including to such Going Concern Stalking Horse or liquidator's form of Sale Order, assumption or assignment of any Lease or Contract to such Going Concern Stalking Horse or liquidator, or such Going Concern Stalking Horse or liquidator's Adequate Assurance Package, is **April 11, 2017 at 2:00 p.m. (Prevailing Eastern Time)**. If the assignment of a lease is contested on the basis of adequate assurance of future performance (whether to the Going Concern Stalking Horse or the Going Concern Non-Stalking Horse), consideration of the assignment of that lease will not be addressed at the Sale Hearing and will, instead, be adjourned for consideration at a later hearing on not less than ten (10) days'

notice to the applicable landlord. In addition, the deadline to file any objections to changes made by the Stalking Horse to its Bid (other than purchase price) is **April 12, 2017 at 12:00 p.m. (Prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that, the deadline to file objections, if any, to the Sale to a Going Concern Non-Stalking Horse, including to such party's form of sale order, or assumption or assignment of any Lease or Contract to such party, or such party's Adequate Assurance Package, is **April 13, 2017 at 2:00 p.m. (Prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that, objections, if any, must: (i) be in writing, (ii) conform to the applicable provisions of the Bankruptcy Rules, the Local Rules and any orders of the Court, (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor and (iv) be filed with the Court and served so as to be actually received no later than the Cure Objection Deadline, the Stalking Horse/Liquidator Sale Objection Deadline or the Non-Stalking Horse/Liquidator Sale Objection Deadline, as applicable, by the following parties: (a) the Debtors: hhgregg, Inc., 4151 E. 96th Street, Indianapolis, IN 46240, Attn: Candace Bankovich (candace.bankovich@hhgregg.com); (b) counsel to the Debtors: Morgan Lewis & Bockius LLP, 101 Park Avenue, New York, NY 10178, Attn: Neil E. Herman, Esq. (neil.herman@morganlewis.com) and Ice Miller LLP, One American Square, Suite 2900, Indianapolis, IN 46282, Attn: Jeff Hokanson, Esq. (jeff.hokanson@icemiller.com); (c) the Office of the United States Trustee for the Southern District of Indiana (the "US Trustee"): 101 W. Ohio St., Ste. 100, Indianapolis, IN 46204, Attn: Ronald J. Moore, Esq. (Ronald.Moore@usdoj.gov); (d) proposed counsel to the official committee of unsecured creditors appointed in the Chapter 11 Cases (the "Committee"): Cooley LLP, 1114 Avenue of the Americas, New York, NY 10036, Attn: Cathy Hershcopf, Esq. (email: chershcopf@cooley.com) and Bingham Greenebaum Doll LLP, 2500 National City Tower, 101 South Fifth Street, Louisville, Kentucky 40202, Attn: James R. Irving, Esq. (email: jirving@bgdlegal.com); (e) counsel to the DIP Agent and the Prepetition Agent: Choate, Hall & Stewart LLP, Two International Place, Boston, MA 02110, Attn: John F. Ventola, Esq. and Sean M. Monahan, Esq. (email: jventola@choate.com and smonahan@choate.com) and Faegre Baker Daniels LLP, 600 E. 96th Street, Suite 600, Indianapolis, Indiana 46240, Attn: Jay Jaffe, Esq. and Terry Hall, Esq. (email: jay.jaffe@faegrebd.com and terry.hall@faegrebd.com); (f) counsel to the FILO Agent, DLA Piper LLP, 1201 North Market Street, Suite 2100, Wilmington, DE 19801, Attn: Stuart Brown, Esq. (email: stuart.brown@dlapiper.com); and (g) Stifel, 787 Seventh Avenue, New York, NY 10019, Attn: Derek Alexander, Esq. (email: alexanderd@stifel.com).

PLEASE TAKE FURTHER NOTICE THAT ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO THE SALE IN ACCORDANCE WITH THE BID PROCEDURES AND APPROVAL ORDER SHALL BE FOREVER BARRED FROM ASSERTING ANY OBJECTION TO THE SALE, INCLUDING WITH RESPECT TO THE TRANSFER OF THE DEBTORS' ASSETS FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS, EXCEPT AS SET FORTH IN THE STALKING SUCCESSFUL BIDDER'S ASSET PURCHASE AGREEMENT.

PLEASE TAKE FURTHER NOTICE that copies of the Sale Motion (and all exhibits thereto), the Bid Procedures Order, the Bid Procedures, and proposed Sale Order (and all exhibits thereto) are available for review free of charge by accessing

www.donlinrecano.com/hhgregg. In addition, copies of such documents are available upon written request via first class mail to Donlin, Recano & Company, Inc., Re: hhgregg, Inc., et al., 6201 15th Avenue, Brooklyn, NY 11219; via telephone at (800) 591-8252; or email at hhgregginfo@donlinrecano.com.

PLEASE TAKE FURTHER NOTICE that, in accordance with the Bid Procedures and Order, a separate notice will be provided to the counterparties to executory contracts and unexpired leases that may be assumed and assigned in connection with the Sale.

Respectfully submitted,

MORGAN, LEWIS & BOCKIUS LLP

Neil E. Herman (admitted *pro hac vice*)
Rachel Jaffe Mauceri (admitted *pro hac vice*)
Katherine L. Lindsay (admitted *pro hac vice*)
101 Park Avenue
New York, New York 10178
Telephone: (212) 309-6000

-and-

/s/ Jeffrey A. Hokanson

ICE MILLER LLP

Jeffrey A. Hokanson (No. 14579-49)
Sarah L. Fowler (No. 30621-49)
One American Square
Suite 2900
Indianapolis, IN 46282-0200
Telephone: (317) 236-2100

Counsel to the Debtors and Debtors in Possession

EXHIBIT 3

Cure Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

In re: hhgregg, Inc., <i>et al.</i> , ¹ Debtors.	Chapter 11 Case No. 17-01302-RLM-11 (Jointly Administered)
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**NOTICE OF (I) POSSIBLE TREATMENT OF CONTRACTS AND LEASES,
(II) FIXING OF CURE AMOUNTS, AND (III) DEADLINE TO OBJECT THERETO**

PLEASE TAKE NOTICE that, on March 9, 2017, the above-captioned debtors and debtors-in-possession (the “Debtors”) filed the *Motion for Orders (A)(I) Scheduling a Bid Procedure Hearing; (II) Authorizing and Approving Bid Procedures; (III) Approving Notice Procedures; (IV) Scheduling a Sale Hearing; and (V) Approving Procedures for Assumption and Assignment and Determining Cure Amounts and (B)(I) Authorizing the Sale of Substantially all of the Debtors’ Assets Free and Clear of all Claims, Liens, Rights, Interests, and Encumbrances; (II) Approving the Successful Bidder Purchase Agreement; and (III) Authorizing the Debtors to Assume and Assign Certain Executory Contracts and Unexpired Leases* [Docket No. 99] (the “Sale Motion”),² with the United States Bankruptcy Court for the Southern District of Indiana (the “Court”), seeking, among other things, entry of an order (the “Sale Order”) authorizing and approving: (a) the sale (the “Sale”) of certain assets (the “Purchased Assets”) free and clear of all liens, claims, encumbrances, and other interests (other than Permitted Encumbrances), with all such liens, claims, encumbrances, and other interests attaching with the same validity and priority to the Sale proceeds, subject to higher or otherwise better offers; and (b) certain procedures for the assumption and assignment of executory contracts (the “Contracts”) and unexpired leases (the “Leases”) in connection with the Sale.

PLEASE TAKE FURTHER NOTICE that, on [___], 2017, the Court entered an order [Docket No. ___] (the “Bid Procedures Order”), granting certain of the relief sought in the Sale Motion, including, among other things, approving: (a) the Bid Procedures (the “Bid Procedures”) for the Sale of the Purchased Assets; and (b) procedures for the assumption and assignment of the Contracts and Leases.

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: hhgregg, Inc. (0538); Gregg Appliances, Inc. (9508); HHG Distributing LLC (5875). The location of the Debtors’ corporate headquarters is 4151 E. 96th Street, Indianapolis, IN 46240.

² Unless otherwise stated, all capitalized terms not defined herein shall have the same meaning as set forth in the Sale Motion.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Bid Procedures Order, a hearing will be held before the Honorable Judge Robyn L. Moberly, United States Bankruptcy Judge, in Courtroom 329 of the United States Bankruptcy Court for the Southern District of Indiana, 46 East Ohio Street, Indianapolis, IN 46204, to consider approval of the Sale (the “Sale Hearing”) (a) on **April 12, 2017 at 2:00 p.m. (prevailing Eastern Time)** if the Successful Bidder is (i) a stalking horse pursuing a going concern sale (a “Going Concern Stalking Horse”), or (ii) a liquidator; or (b) on **April 17, 2017 at 9:00 a.m. (Prevailing Eastern Time)** if the Successful Bidder is a non-stalking horse bidder that is pursuing a going concern sale (a “Going Concern Non-Stalking Horse”). The Sale Hearing may be rescheduled or continued from time to time without further notice other than the announcement of the adjourned date(s) at the Sale Hearing or any continued hearing or on the applicable hearing agenda or other notice filed on the docket of these Chapter 11 Cases.

PLEASE TAKE FURTHER NOTICE that you are receiving this notice (the “Cure Notice”) because you or one of your affiliates may be a counterparty to one or more of the **Contracts and Leases with one or more of the Debtors as set forth on Exhibit A attached hereto (the “Contract and Lease Schedule”).³ If the Court enters the Sale Order, the Debtors may assume and assign to the Successful Bidder selected at the Auction or reject the Contract and/or Lease listed on the Contract and Lease Schedule, to which you are a counterparty, either as of the Closing Date or a later date pursuant to the Successful Bidder APA.**

PLEASE TAKE FURTHER NOTICE that the Debtors have determined that the cure amounts necessary to cure all defaults, if any, and to pay all actual or pecuniary losses that have resulted from such defaults under the Contracts and Leases (the “Cure Amounts”) are in the total amount as set forth on the Contract and Lease Schedule attached hereto as **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that if you that if you disagree with the proposed Cure Amounts, you must file with the Court and serve an objection on the following parties so as to be actually received before **7:00 p.m. (Prevailing Eastern Time) on April 11, 2017**: (a) the Debtors: hgregg, Inc., 4151 E. 96th Street, Indianapolis, IN 46240, Attn: Candace; (b) counsel to the Debtors: Morgan Lewis & Bockius LLP, 101 Park Avenue, New York, NY 10178, Attn: Neil E. Herman, Esq. (neil.herman@morganlewis.com) and Ice Miller LLP, One American Square, Suite 2900, Indianapolis, IN 46282, Attn: Jeff Hokanson, Esq. (jeff.hokanson@icemiller.com); (c) the Office of the United States Trustee for the Southern District of Indiana (the “US Trustee”): 101 W. Ohio St., Ste. 100, Indianapolis, IN 46204, Attn: Ronald J. Moore, Esq. (Ronald.Moore@usdoj.gov); (d) proposed counsel to the official committee of unsecured creditors appointed in the Chapter 11 Cases (the “Committee”): Cooley LLP, 1114 Avenue of the Americas, New York, NY 10036, Attn: Cathy Hershcopf, Esq. (email: chershcopf@cooley.com) and Bingham Greenebaum Doll LLP, 2500 National City Tower, 101 South Fifth Street, Louisville, Kentucky 40202, Attn: James R. Irving, Esq. (email: jirving@bgdlegal.com); (e) counsel to the DIP Agent and the Prepetition Agent: Choate, Hall &

³ This Cure Notice is being sent to counterparties to contracts and leases that may be executory contracts and unexpired leases. This Cure Notice is *not* an admission by the Debtors that such contract or lease is executory or unexpired.

Stewart LLP, Two International Place, Boston, MA 02110, Attn: John F. Ventola, Esq. and Sean M. Monahan, Esq. (email: jventola@choate.com and smonahan@choate.com) and Faegre Baker Daniels LLP, 600 E. 96th Street, Suite 600, Indianapolis, Indiana 46240, Attn: Jay Jaffe, Esq. and Terry Hall, Esq. (email: jay.jaffe@faegrebd.com and terry.hall@faegrebd.com; (f) counsel to the FILO Agent, DLA Piper LLP, 1201 North Market Street, Suite 2100, Wilmington, DE 19801, Attn: Stuart Brown, Esq. (email: stuart.brown@dlapiper.com); and (g) Stifel, 787 Seventh Avenue, New York, NY 10019, Attn: Derek Alexander, Esq. (email: alexanderd@stifel.com) (collectively, the “Objection Notices Parties”). All Cure Objections must: (i) be in writing; (ii) comply with the applicable provisions of the Bankruptcy Rules, Local Rules and any orders of the Court; and (iii) state with specificity the nature of the objection and, if the objection pertains to the Cure Amount, the correct cure amount alleged by the objecting counterparty, together with any applicable and appropriate documentation in support thereof.

PLEASE TAKE FURTHER NOTICE that, the deadline to file objections, if any, to the Sale to a Going Concern Stalking Horse or liquidator, including to such Going Concern Stalking Horse or liquidator’s form of Sale Order, assumption or assignment of any Lease or Contract to such Going Concern Stalking Horse or liquidator, or such Going Concern Stalking Horse or liquidator’s Adequate Assurance Package, is **April 11, 2017 at 2:00 p.m. (Prevailing Eastern Time)**. In addition, the deadline to file any objections to changes made by the Stalking Horse to its Bid (other than purchase price) is **April 12, 2017 at 12:00 p.m. (Prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that, the deadline to file objections, if any, to the Sale to a Going Concern Non-Stalking Horse, including to such party’s form of sale order, or assumption or assignment of any Lease or Contract to such party, or such party’s Adequate Assurance Package, is **April 13, 2017 at 2:00 p.m. (Prevailing Eastern Time)**.

PLEASE TAKE FURTHER NOTICE that any party that fails to timely file an objection shall be deemed to have consented to the assumption and assignment of the Contract or Lease to the Successful Bidder, as applicable, and the Cure Amounts proposed by the Debtors in this Cure Notice, and shall be forever enjoined and barred from seeking any additional amount(s) on account of the Debtors’ cure obligations under section 365 of the Bankruptcy Code or otherwise from the Debtors or their estates (except, to the extent applicable, with respect to matters arising after the Closing and that are not otherwise paid in the ordinary course).

PLEASE TAKE FURTHER NOTICE that any objection to the proposed assumption and assignment or related cure of a Contract or Lease in connection with the Sale that remains unresolved as of the Sale Hearing shall be heard at the Sale Hearing (or at a later date as fixed by the Court) provided that any such objection may be adjourned, in full or in part, by the Debtors to a later date by listing such adjournment in a notice of agenda or other notice filed on the docket of the Cases and served on the affected counterparty; provided that all such objections to the assumption and assignment of the Leases (other than with respect to the Cure Amounts) shall be resolved by final order of the Court prior to the date that is two hundred nine (209) days after the Petition Date).

PLEASE TAKE FURTHER NOTICE that the Debtors hereby reserve all rights to amend, revise or supplement any documents relating to the Sale and/or to be executed, delivered, assumed and/or performed in connection with the Sale or the Successful Bidder APA, as applicable, including the Contract and Lease Schedule.

PLEASE TAKE FURTHER NOTICE that notwithstanding anything herein, this Cure Notice shall not be deemed to be an assumption, rejection, or termination of any of the Contracts and Leases. Moreover, the Debtors explicitly reserve their rights to reject or assume any of the Contract and Leases pursuant to section 365(a) of the Bankruptcy Code and nothing herein (a) alters in any way the prepetition nature of the Contracts and Leases or the validity, priority, or amount of any claims of counterparties to the Contracts and Leases against the Debtors that may arise under such Contracts and Leases, (b) creates a postpetition contract or agreement, or (c) elevates to administrative expense priority any claims of counterparties to the Contracts and Leases against the Debtors that may arise under such Contracts and Leases.

PLEASE TAKE FURTHER NOTICE that copies of the Sale Motion (and all exhibits thereto), the Bid Procedures Order, the Bid Procedures, and proposed Sale Order (and all exhibits thereto) are available for review free of charge by accessing www.donlinrecano.com/hhgregg. In addition, copies of such documents are available upon written request via first class mail to Donlin, Recano & Company, Inc., Re: hhgregg, Inc., et al., 6201 15th Avenue, Brooklyn, NY 11219; via telephone at (800) 591-8252; or email at hhgregginfo@donlinrecano.com.

Respectfully submitted,

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/s/ Jeffrey A. Hokanson

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Counsel to the Debtors and Debtors in Possession

Exhibit A

EXHIBIT 4

Assumption and Assignment Notice

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF INDIANA
INDIANAPOLIS DIVISION**

In re:

hhgregg, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 17-01302-RLM-11

(Jointly Administered)

**NOTICE OF ASSUMPTION AND ASSIGNMENT
OF UNEXPIRED LEASES AND EXECUTORY CONTRACTS**

PLEASE TAKE NOTICE that, on March __, 2017, the United States Bankruptcy Court for the Southern District of Indiana (the “Bankruptcy Court”) entered the *Order (I) Authorizing and Approving Asset Purchase Agreement; (II) Approving Sale of Certain Assets of Debtors Pursuant to Section 363 of the Bankruptcy Code Free and Clear of All Liens, Claims, Interests, and Encumbrances; (III) Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases Pursuant to Section 365 of the Bankruptcy Code; (IV) Authorizing the Debtors to Consummate Transactions Related to the Above and (V) Granting Related Relief* [Docket No. __] (the “Sale Order”).²

PLEASE TAKE FURTHER NOTICE that the above-captioned debtors and debtors in possession (the “Debtors”) filed, on [__], 2017, the *Notice of (I) Possible Treatment of Contracts and Leases, (II) Fixing of Cure Amounts, and (III) Deadline to Object Thereto* [Docket No. __], the “Cure Notice”) pursuant to which the Debtors identified, based on the Debtors’ books and records, the dollar amount, if any, that must be paid to cure all defaults, if any, under the executory contracts or unexpired leases included therein (collectively, the “Cure Costs”).

PLEASE TAKE FURTHER NOTICE that, pursuant to the *Order (I) Authorizing and Approving Bid Procedures, (II) Approving Notice Procedures, (III) Scheduling a Sale Hearing and (IV) Approving Procedures for Assumption and Assignment and Determining Cure Amounts* [Docket No. __] (the “Bid Procedures Order”), the Bankruptcy Court ordered that contract counterparties to the Debtors’ contracts and leases identified on the Cure Notice were required to file objections (each, a “Cure Objection”), if any, to the Cure Costs by no later than **April 11,**

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: hhgregg, Inc. (0538); Gregg Appliances, Inc. (9508); HHG Distributing LLC (5875). The location of the Debtors’ corporate headquarters is 4151 E. 96th Street, Indianapolis, IN 46240.

² Unless otherwise stated, all capitalized terms not defined herein shall have the same meanings as set forth in the Sale Order.

2017 at 7:00 p.m. (prevailing Eastern Time) (the “Cure Deadline”). If the assignment of a lease is contested on the basis of adequate assurance of future performance (whether to the Going Concern Stalking Horse or the Going Concern Non-Stalking Horse), consideration of the assignment of that lease will not be addressed at the Sale Hearing and will, instead, be adjourned for consideration at a later hearing on not less than ten (10) days' notice to the applicable landlord.

PLEASE TAKE FURTHER NOTICE that, in accordance with the terms of the Sale Order, the Debtors hereby provide this notice (the “Assumption Notice”)³ of their assumption and assignment, pursuant to the Sale Order, of the unexpired leases (the “Leases”) and executory contracts (the “Contracts”) set forth on **Exhibit A** hereto. The Debtors are assuming and assigning the Leases and Contracts to [_____] (the “Purchaser”). As determined by the Bankruptcy Court upon entry of the Sale Order, the Purchaser has the financial wherewithal to meet all future obligations under the Leases and Contracts, and demonstrated that it has the ability to comply with the requirements of adequate assurance of future performance under section 365 of the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Order, and upon filing this Assumption Notice on the Bankruptcy Court’s docket, and without further order of the Bankruptcy Court:

1. each Lease or Contract shall be treated as an Assumed Contract under the Sale Order;
2. each Lease or Contract shall be deemed assumed by the Debtors and assigned to the Purchaser, with such assumption and assignment to be effective as of the Closing Date;
3. the applicable Cure Cost for each Lease or Contract is hereby fixed at the amount set forth on **Exhibit B** and **Exhibit C** to the Sale Order and the applicable contract counterparty to such Lease or Contract is forever bound by such Cure Cost; and
4. effective as of the Closing Date, the Leases and Contracts are assigned to the Purchaser free and clear of all Adverse Interests and all requirements of Bankruptcy Code sections 365(b) and 365(f) with respect thereto are satisfied.

PLEASE TAKE FURTHER NOTICE that, pursuant to the Sale Order, cure amounts with respect to the Leases and Contracts due as of the Closing Date under section 365(b) of the Bankruptcy Code are not subject to objection.

³ This notice is being sent to counterparties to contracts or leases that may or may not be executory contracts and unexpired leases. This notice is not an admission by the Debtors that such contracts or leases are executory or unexpired.

PLEASE TAKE FURTHER NOTICE that copies of the Sale Order are available for review free of charge by accessing www.donlinrecano.com/hhgregg. In addition, copies of such documents are available upon written request via first class mail to Donlin, Recano & Company, Inc., Re: hhgregg, Inc., et al., 6201 15th Avenue, Brooklyn, NY 11219; via telephone at (800) 591-8252; or email at hhgregginfo@donlinrecano.com.

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Counsel to the Debtors and Debtors in Possession

EXHIBIT A