

**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. 17-01302-11

(Joint Administration Requested)

**DEBTORS' FIRST DAY MOTION FOR EXTENSION OF TIME IN WHICH
TO FILE REMAINING SCHEDULES AND STATEMENTS**

hhgregg, Inc. and its above-captioned affiliated debtors and debtors-in-possession (each a "Debtor" and collectively, the "Debtors"), by counsel, hereby submit this motion ("Motion") for the entry of an order, substantially in the form attached hereto as Exhibit A, pursuant to section 521 of Title 11 of the United States Code (the "Bankruptcy Code"), Rules 1007 and 9006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule B-1007-1(c)(2) of the Local Rules of the United States Bankruptcy Court for the Southern District of Indiana (the "Local Rules"), granting the Debtors an extension of 30 days to file their schedules of assets and liabilities, schedules of current income and expenditures, schedules of executory contracts and unexpired leases (collectively, the "Schedules"), and statements of financial affairs (collectively, the "Statements"). The facts and circumstances supporting this Motion are set forth in the concurrently filed *Declaration of Kevin J. Kovacs in*

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); and HHG Distributing LLC (5875). The location of the Debtors' corporate headquarters is 4151 East 96th Street, Indianapolis, Indiana 46240.

Support of the Debtors' Chapter 11 Petitions and First Day Motions (the "First Day Declaration").² In further support of this motion, the Debtors respectfully state as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Motion pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory and legal predicates for the relief sought herein are section 521 of the Bankruptcy Code, Rules 1007 and 9006 of the Bankruptcy Rules, and Rule B-1007-1(c)(2) of the Local Rules.

FACTUAL BACKGROUND

2. On March 6, 2017 (the "Petition Date"), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. Concurrently with this Motion, the Debtors have also filed motions or applications seeking certain "first day" relief.

3. The Debtors continue to operate and maintain their business as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. No request has been made for the appointment of a trustee or examiner, and no official committee has been established in these chapter 11 cases.

5. Pursuant to Bankruptcy Rule 1007(c) and Local Rule B-1017-1(b)(1), the Debtor's Schedules and Statements are currently due on or before March 20, 2017.

RELIEF REQUESTED

6. By this Motion, the Debtors request entry of an order extending the date on or before which the Debtors must file their Schedules and Statements for 30 days to and including April 19, 2017.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the First Day Declaration.

BASIS FOR RELIEF REQUESTED

7. The requirements of section 521(a)(1) of the Bankruptcy Code and Bankruptcy Rule 1007(c) normally require debtors to file their schedules of assets and liabilities, schedules of current income and expenditures, schedules of executory contracts and unexpired leases, and statements of financial affairs within 14 days after their petition date. However, Bankruptcy Rule 1007(c) further provides that a bankruptcy court may extend a debtor's time within which to file such schedules or statements for "cause." *See also* Fed. R. Bankr. P. 9006(b). Showing "cause" merely requires that the debtor "demonstrate some justification for the issuance of the order" and the bankruptcy court will normally grant such extensions "in the absence of bad faith or prejudice to the adverse party." *See, e.g. Bryant v. Smith*, 165 B.R. 176, 182 (W.D. Va. 1994) (citations and internal quotation marks omitted) (discussing the standard for granting extensions under Bankruptcy Rule 1007).

8. Further, Local Rule B-1007-1(c)(2) provides that the United States Trustee is deemed to have no objection to any original request for an extension of time within which to file the remaining Schedules and Statements if that request seeks an extension of not more than thirty (30) days.

9. In this case, cause exists to grant the relief requested herein because in order to prepare their Statements and Schedules, the Debtors will have to compile a voluminous amount of information from books, records, and documents relating to a large number of claims, assets, and contracts. For example, the Debtors currently have over 220 store leases and thousands of employees and creditors. Collecting the necessary information will require an enormous expenditure of time and effort on the part of the Debtors, their employees, and their professional advisors. Because focusing the attention of key personnel on critical operational and chapter 11-

compliance issues during the early date of these chapter 11 cases will facilitate the Debtors' smooth transition into chapter 11, the Debtors believe that their request for a 30-day extension of time to file their Schedules and Statements will maximize the value of their estates for the benefit of all parties.

10. Moreover, an extension of time will not harm creditors or other parties in interest.

11. Accordingly, the Debtors request an extension of time to and including April 19, 2017 to file their remaining Schedules and Statements.

NOTICE AND NO PREVIOUS REQUEST

12. Notice of this Motion has been provided to: (i) the U.S. Trustee; (ii) the Office of the United States Attorney for the Southern District of Indiana; (iii) the Internal Revenue Service; (iv) the Debtors' thirty (30) largest unsecured creditors; (v) the Prepetition Secured Parties; and (vi) 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. Notice of this Motion and any order entered hereon will be served in accordance with Local Rule B-9013-3(d). In light of the nature of the relief requested, the Debtors submit that no other or further notice is necessary.

13. No previous request for the relief sought herein has been made to this or any other Court.

WHEREFORE, the Debtors respectfully request that the Court enter the Order substantially in the form attached as Exhibit A, granting the relief requested herein and granting all other just and proper relief.

Respectfully submitted,

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