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Proposed Co-Counsel for Debtors and Debtors in Possession

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

In re:)	Chapter 11
)	
GUITAR CENTER, INC. <i>et al.</i> , ¹)	Case No. 20-34656 (KRH)
)	
Debtors.)	(Jointly Administered)
)	
)	

**NOTICE OF REJECTION OF CERTAIN
 EXECUTORY CONTRACTS AND UNEXPIRED LEASES
 IN CONNECTION WITH CONFIRMATION OF THE DEBTORS’
 JOINT PRE-PACKAGED CHAPTER 11 PLAN OF REORGANIZATION**

PLEASE TAKE NOTICE THAT on November 23, 2020, the United States Bankruptcy Court for the Eastern District of Virginia (the “Court”) entered an order [Docket No. 82] in the above-captioned chapter 11 cases that, among other things, approved notice and objection

¹ The Debtors in these cases, along with the last four digits of each Debtor’s federal tax identification number, are: Guitar Center Holdings, Inc. (3262); Guitar Center, Inc. (0862); Guitar Center Stores, Inc. (4340); GTRC Services, Inc. (9503); GC Business Solutions, Inc. (3928); Guitar Center Gift Card Company, LLC (3370); Music & Arts Instructor Services, LLC (7811); and AVDG, LLC (4440). The Debtors’ service address is 5795 Lindero Canyon Rd., Westlake Village, CA 91362.

procedures for the Debtors' assumption or rejection of Executory Contracts and Unexpired Leases² by the above-captioned debtors and debtors in possession (the "Debtors").

PLEASE TAKE FURTHER NOTICE THAT the schedule of Executory Contracts and Unexpired Leases to be rejected by the Debtors is attached to this Notice as **Exhibit A** (as amended, supplemented, or otherwise modified from time to time, the "Schedule of Rejected Contracts").

PLEASE TAKE FURTHER NOTICE THAT you are receiving this Notice because the Debtors' records indicate that you are a party to an Executory Contract or Unexpired Lease that will be rejected pursuant to the Plan. Therefore, you are advised to review carefully the information contained in this Notice and the related provisions of the Plan.

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Plan, subject to the occurrence of the Effective Date and the payment of any applicable Cure amount, all Executory Contracts and Unexpired Leases will be assumed by the Reorganized Debtors, unless an Executory Contract or Unexpired Lease: (a) was previously assumed or rejected; (b) previously expired or terminated pursuant to its own terms; (c) is the subject of a motion to reject, assume, or assume and assign filed on or before the entry of the Confirmation Order; or (d) is listed on the Schedule of Rejected Contracts (which schedule may be amended, supplemented, or otherwise modified from time to time in accordance with the Plan).

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Plan, all Executory Contracts and Unexpired Leases listed on the Schedule of Rejected Contracts shall be deemed rejected as of the Effective Date or such later date either as set forth in the Schedule of Rejected Contracts or otherwise on which the Debtors make the determination to reject an Executory Contract or Unexpired Lease. Entry of the Confirmation Order shall constitute an order, pursuant to sections 365(a) and 1123 of the Bankruptcy Code, approving the rejection of such Executory Contracts and Unexpired Leases. Rejection of any Executory Contract or Unexpired Lease pursuant to the Plan or otherwise shall not constitute a termination of the obligations owed by the non-Debtor counterparty under such Executory Contract or Unexpired Lease. Notwithstanding any applicable non-bankruptcy law to the contrary, the Reorganized Debtors expressly reserve and do not waive any right to receive, or any continuing obligation of a counterparty to provide, warranties, indemnifications, or continued maintenance obligations from the counterparties to the rejected Executory Contracts or Unexpired Leases.

PLEASE TAKE FURTHER NOTICE THAT pursuant to the Plan, Claims arising from the rejection of Executory Contracts and Unexpired Leases shall: (a) be filed thirty (30) days after (i) entry of the Confirmation Order with respect to the Executory Contracts and Unexpired Leases rejected pursuant to the Plan, or (ii) the date on which the Debtors or Reorganized Debtors, as applicable, inform the applicable counterparty of their determination to reject its Executory

² Capitalized terms used in this Notice have the meanings given to them in the *Joint Pre-Packaged Chapter 11 Plan of Reorganization of Guitar Center, Inc. et al.* [Docket No. 16] (as it may be amended, supplemented, or otherwise modified from time to time, the "Plan").

Contract or Unexpired Lease; and (b) constitute General Unsecured Claims and shall be treated in accordance with Article II.C.7 of the Plan, subject to any applicable limitation or defense under the Bankruptcy Code and applicable law. The Reorganized Debtors shall have the right to object to, settle, compromise, or otherwise resolve any Claim asserted on account of a rejected Executory Contract or Unexpired Lease.

PLEASE TAKE FURTHER NOTICE THAT any counterparty that wishes to object to any matter relating to the rejection of its Executory Contract or Unexpired Lease must file with the Court a written objection (an “Objection”) stating: (a) the name and address of the objecting party; and (b) the legal and factual basis for such objection with particularity, **no later than 5:00 p.m. (prevailing Eastern Time) on December 10, 2020 (the “Objection Deadline”)**. The Objection also must be served on the parties and in the manner prescribed in the *Order: (I) Establishing Certain Notice, Case Management, and Administrative Procedures; and (II) Granting Related Relief* [Docket No. 78] (the “Case Management Order”).

PLEASE TAKE FURTHER NOTICE THAT if you fail to timely contact the Debtors’ counsel or file an Objection with the Court, you will be deemed to have consented to the rejection of your Executory Contract(s) or Unexpired Lease(s).

PLEASE TAKE FURTHER NOTICE THAT nothing herein, including the identification of any Executory Contract or Unexpired Lease as rejected in connection with the Plan or any related transaction or the Debtors’ delivery of this Notice to the applicable counterparty, shall constitute or be construed as an admission by the Debtors that any contract or lease: (a) is in fact an Executory Contract or Unexpired Lease or that any Debtor has any liability thereunder; or (b) has not expired, been terminated, or otherwise currently is in full force and effect. Rather, the Debtors expressly reserve all of their rights with respect thereto, including their right to seek a later determination of these issues and their right to dispute the validity, status, characterization or enforceability of any contracts, agreements, or leases set forth in the Schedule of Rejected Contracts. As a matter of administrative convenience, in certain cases the Debtors may have listed the original parties to the Executory Contracts and Unexpired Leases set forth in the Schedule of Rejected Contracts without taking into account any successor or any other transfers or assignments from one party to another. The fact that the current parties to any particular Executory Contracts or Unexpired Leases may not be included in the Schedule of Rejected Contracts is not intended to change the treatment of such Executory Contracts or Unexpired Leases

PLEASE TAKE FURTHER NOTICE THAT the Debtors fully reserve the right to amend, supplement, or otherwise modify the Schedule of Rejected Contracts, including to add or remove any Executory Contracts and Unexpired Leases. In particular, the Debtors are currently in negotiations with a number of landlords and contract counterparties regarding potential amendments to Executory Contracts and Unexpired Leases. In the event the parties are not able to agree on terms acceptable to the Debtors, the Debtors reserve the right to amend, supplement, or otherwise modify the Schedule of Rejected Contracts on or prior to December 10, 2020 or such other date approved by the Court.

PLEASE TAKE FURTHER NOTICE THAT the decision to reject an Executory Contract or Unexpired Lease under the Plan is subject to the Court’s approval, confirmation of the Plan and occurrence of the Effective Date. Absent the Court’s approval, confirmation of the Plan

and the occurrence of the Effective Date, each Executory Contract or Unexpired Lease set forth in the Schedule of Rejected Contracts shall not be deemed rejected absent further order of the Court and shall in all respects be subject to further administration under the Bankruptcy Code.

PLEASE TAKE FURTHER NOTICE THAT a hearing at which the Court will consider, among other things, confirmation of the Plan and all Objections (the “Combined Hearing”) will be held before the Honorable Kevin R. Huennekens, United States Bankruptcy Judge, commencing on **Thursday, December 17, 2020, at 9:00 a.m. (prevailing Eastern Time)**. The Combined Hearing may be continued from time to time without further notice other than by such adjournment being announced in open court or by the filing of a notice of adjournment with the Court. **Additional information regarding procedures for hearings before the Court, including telephonic and/or videoconference hearings consistent with the *Protocol in Response to Public Health Emergency*, in light of the ongoing public response to COVID-19 is available by visiting the Court’s website at: <http://www.vaeb.uscourts.gov/>.**

PLEASE TAKE FURTHER NOTICE THAT copies of the Plan, the Case Management Order, and all other documents filed in these cases may be obtained free of charge at <https://cases.primeclerk.com/guitarcenter.com> or for a fee via PACER at <http://www.vaeb.uscourts.gov>.

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Dated: December 3, 2020
Richmond, Virginia

/s/ Jennifer E. Wuebker

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Justin F. Paget, Esq. (VSB No. 77949)

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Proposed Co-Counsel for Debtors and Debtors in Possession

Exhibit A

Schedule of Rejected Contracts³

<u>Debtor</u>	<u>Contract Counterparty</u>	<u>Address</u>	<u>Description of Contract or Lease and Nature of Debtor's Interest</u>	<u>Proposed Effective Date of Rejection</u>
GUITAR CENTER STORES, INC.	HARBERT MSB LONE PEAK CAMPUS LLC	C/O MAIER SIEBEL BARBER 80 E. SIR FRANCIS DRAKE BLVD. PRESIDENT & VP - ASSET MANAGEMENT LARKSPUR CA 94939	REAL PROPERTY LEASE 180 W. ELECTION RD., #100 DRAPER UT 84020	JANUARY 31, 2021
GTRC SERVICES, INC.	NETWORK WAY PROPERTIES, LLC	9425 N. MERIDIAN STREET #114 FELIX SHALIT INDIANAPOLIS IN 46260	REAL PROPERTY LEASE 6625 NETWORK WAY, #200 INDIANAPOLIS IN 46278	JANUARY 31, 2021
GUITAR CENTER STORES, INC.	ELMWOOD NYT OWNER, LLC	C/O KUSHNER COMPANIES 666 FIFTH AVENUE, 15TH FLOOR NEW YORK NY 10103	REAL PROPERTY LEASE 218 WEST 44TH ST NEW YORK NY 10036	JANUARY 31, 2021
GUITAR CENTER STORES, INC.	AVANTE ELLSWORTH VENTURE I, LLC,	9010 OVERLOOK BLVD. BRENTWOOD TN 37027	REAL PROPERTY LEASE 8661 COLESVILLE RD, LEVEL 4 SILVER SPRING MD 20910	JANUARY 31, 2021

³ Each Executory Contract and Unexpired Lease set forth herein is intended to include any amendments, supplements and/or modifications entered into from time to time in respect of such Executory Contract or Unexpired Lease.

The inclusion or exclusion of an Executory Contract or Unexpired Lease on this Schedule of Rejected Contracts does not constitute an admission as to the executory or non-executory nature of such Executory Contract or Unexpired Lease or as to the existence or validity of any claims held by the counterparty or counterparties to such Executory Contract or Unexpired Lease. In addition, the listing of an Executory Contract or Unexpired Lease in this Schedule of Rejected Contracts is not an admission of the existence of an Executory Contract or Unexpired Lease, as applicable, or that the Debtor party to that Executory Contract or Unexpired Lease is as shown in this Schedule of Rejected Contracts.

The Debtors fully reserve the right to amend, supplement, or otherwise modify this Schedule of Rejected Contracts, including to add or remove any Executory Contracts and Unexpired Leases. In particular, the Debtors are currently in negotiations with a number of landlords and contract counterparties regarding potential amendments to Executory Contracts and Unexpired Leases. In the event the parties are not able to agree on terms acceptable to the Debtors, the Debtors reserve the right to amend, supplement, or otherwise modify this Schedule of Rejected Contracts on or prior to December 10, 2020 or such other date approved by the Court.

<u>Debtor</u>	<u>Contract Counterparty</u>	<u>Address</u>	<u>Description of Contract or Lease and Nature of Debtor's Interest</u>	<u>Proposed Effective Date of Rejection</u>
GUITAR CENTER, INC.	LBA REALTY FUND III – XII, LLC	C/O LBA REALTY 3347 MICHELSON DRIVE, SUITE 200 LEASINGNOTICES@LBAREALTY.COM LAKEVIEW CORPORATE CENTER IRVINE CA 92612	REAL PROPERTY LEASE 112 S. LAKEVIEW CANYON RD., #160 & #280 THOUSAND OAKS CA 91362	JANUARY 31, 2021
GUITAR CENTER STORES, INC.	SVAP ILL NORTH RANCH GATEWAY, LLC	SVAP ILL NORTH RANCH GATEWAY, LLC 302 DATURA STREET, SUITE 100 WEST PALM BEACH, FLORIDA 33401 ATTN: GREG MORASS	REAL PROPERTY LEASE 30839 E THOUSAND OAKS WESTLAKE VILLAGE CA 91362	JANUARY 31, 2021
GUITAR CENTER STORES, INC.	KRG LAS VEGAS EASTERN BELTWAY, LLC	C/O KITE REALTY GROUP ATTN: ASSET MANAGEMENT 30 SOUTH MERIDIAN, SUITE 1100 INDIANAPOLIS, INDIANA 46205	REAL PROPERTY LEASE 2370 E SERENE AVE. SUITE 200 LAS VEGAS NV 89123	JANUARY 31, 2021
GUITAR CENTER STORES, INC.	ESPLANADE AT BUTLER PLAZA, LLC.	ESPLANADE AT BUTLER PLAZA, LLC 3217 S.W. 35TH BOULEVARD GAINESVILLE, FLORIDA 32608	REAL PROPERTY LEASE 3228 SOUTHWEST 35TH BLVD GAINESVILLE FL 32608	JANUARY 31, 2021
GUITAR CENTER STORES, INC.	DDRTC T&C LLC	TOWN & COUNTRY COMMONS (III) C/O CBRE ATTEN: BROOKE DOSWELL 222 2ND AVENUE S, SUITE 1800 NASHVILLE, TN 37201	REAL PROPERTY LEASE 8901 TOWN AND COUNTRY CIRCLE #8A KNOXVILLE TN 37923	JANUARY 31, 2021
GUITAR CENTER STORES, INC.	BREINES FAMILY TRUST	20 BURNHAMLANE DIX HILLS, NY 11746	REAL PROPERTY LEASE 1860 DEER PARK AVE DEER PARK NY 11729	JANUARY 31, 2021
GUITAR CENTER STORES, INC.	3056-3068 HEMPSTEAD LLC	15 IBSEN CT DIX HILLS, NY 11746	REAL PROPERTY LEASE 3068 HEMPSTEAD TURNPIKE LEVITTOWN NY 11756	JANUARY 31, 2021
GUITAR CENTER STORES, INC.	JEFFERY FAMILY ASSOCIATES, LLC	JEFFERY FAMILY ASSOCIATES, LLC 116 ROUTE 22 NORTH PLAINFIELD, NJ 7060	REAL PROPERTY LEASE 518 MILLBURN AVENUE MILLBURN NJ 07078-2506	JANUARY 31, 2021