

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
CORPUS CHRISTI DIVISION**

In re:)	
)	Chapter 11
)	
J. C. PENNEY COMPANY, INC., <i>et al.</i> , ¹)	Case No. 20-20182 (DRJ)
)	
Debtors.)	(Jointly Administered)
)	
)	Re: Docket No. 1592

NOTICE OF SALE OF SUBSTANTIALLY ALL OF THE DEBTORS' ASSETS

PLEASE TAKE NOTICE that on October 20, 2020, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors’ Emergency Motion for Entry of an Order (I) Authorizing (A) Entry Into and Performance Under the Asset Purchase Agreement, (B) the Sale of the OpCo Acquired Assets and the PropCo Acquired Assets Free and Clear of Liens, Claims, Encumbrances, and Interests, and (C) Assumption and Assignment of Executory Contracts and Unexpired Leases and (II) Granting Related Relief* [Docket No. 1592] (the “Sale Motion”)² with the United States Bankruptcy Court for the Southern District of Texas (the “Court”) seeking, among other things, entry of an order (the “Sale Order”) authorizing and approving: (i) the sale of the OpCo Acquired Assets to the OpCo Purchaser and the sale of the PropCo Acquired Assets to the PropCo Purchaser, in each case free and clear of liens, claims, encumbrances, and interests on the terms set forth in the Asset Purchase Agreement (the “Sale”); (ii) the assumption and assignment procedures and designation rights with respect to the Debtors’ executory contracts and unexpired leases; and (iii) granting related relief.

PLEASE TAKE FURTHER NOTICE that a status conference regarding the Sale Motion (the “Status Conference”) will be held on **October 26, 2020, at 3:00 p.m. (prevailing Central Time)**, before the Honorable David R. Jones, In the United States Bankruptcy Court for the Southern District of Texas, located at Courtroom 400, 4th Floor, 515 Rusk Avenue, Houston, Texas, 77002.

PLEASE TAKE FURTHER NOTICE that a hearing (the “Sale Hearing”) to consider the proposed Sale will be held on **November 2, 2020, at 1:00 p.m. (prevailing Central Time)**, before the Honorable David R. Jones, in the United States Bankruptcy Court for the Southern

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ proposed claims and noticing agent at <http://cases.primeclerk.com/JCPenney>. The location of Debtor J. C. Penney Company, Inc.’s principal place of business and the Debtors’ service address in these chapter 11 cases is 6501 Legacy Drive, Plano, Texas 75024.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Sale Motion.

District of Texas, located at Courtroom 400, 4th Floor, 515 Rusk Avenue, Houston, Texas, 77002. Instructions to access the Sale Hearing are set forth in the Sale Motion.

PLEASE TAKE FURTHER NOTICE that the Sale Hearing may be continued from time to time by the Court or the Debtors **without further notice** other than by such adjournment being announced at the Status Conference, in open court, or by a notice of adjournment filed with the Court.

PLEASE TAKE FURTHER NOTICE that objections to the proposed Sale (a “Sale Objection”) if any, must (a) be in writing, (b) state, with specificity, the legal and factual bases thereof, (c) be filed with the Court by no later than **November 2, 2020, at 1:00 p.m.** (prevailing Central Time) and (d) be served on: (i) counsel to the Debtors, Kirkland & Ellis LLP, 601 Lexington Avenue, New York, NY 10022, Attn: Aparna Yenamandra (aparna.yenamandra@kirkland.com), Rebecca Blake Chaikin (rebecca.chaikin@kirkland.com), and Jake William Gordon (jake.gordon@kirkland.com); (ii) co-counsel to the Debtors, Jackson Walker L.L.P., 1401 McKinney Street, Suite 1900, Attn: Matthew D. Cavanaugh (mcavanaugh@jw.com), Jennifer F. Wertz (jwertz@jw.com), Kristhy M. Peguero (kpeguero@jw.com), and Veronica A. Polnick (vpolnick@jw.com); (iii) counsel to the OpCo Purchaser, Paul, Weiss, Rifkin, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, NY 10019, Attn: Brian S. Herman (bherman@paulweiss.com), Andrew M. Parlen (aparlen@paulweiss.com), and Sarah Harnett (sharnett@paulweiss.com); (iv) the United States Trustee, Attn: Stephen Statham, Esq. (stephen.statham@usdoj.gov) and Hector Duran, Esq. (hector.duran.jr@usdoj.gov); (v) counsel to the administrative agent for the Debtors’ prepetition revolving credit facility, Otterbourg P.C., 230 Park Avenue, 30th Floor, New York, New York 10169, Attn: Daniel F. Fiorillo, Esq. (dfiorillo@otterbourg.com), and Chad B. Simon, Esq. (csimon@otterbourg.com); (vi) counsel to the First Lien Group of certain first lien creditors, Milbank LLP, 55 Hudson Yards, New York, New York 10001, Attn: Dennis F. Dunne (ddunne@milbank.com), Brian Kinney (bkinney@milbank.com), and Spencer Pepper (spepper@milbank.com); (vii) co-counsel to the Committee, Cooley LLP, 55 Hudson Yards, New York, New York 10001, Attn: Cathy Hershcopf (chershcopf@cooley.com), Summer M. McKee, and (smckee@cooley.com), Lauren A. Reichardt (lreichardt@cooley.com) and Cole Schotz P.C., 1325 Avenue of the Americas, 19th Floor, New York, New York 10019, Attn: Seth Van Aalten (svanaalten@coleschotz.com) and Sarah A. Carnes (scarnes@coleschotz.com); and (viii) any other party that has requested notice pursuant to Bankruptcy Rule 2002.

PLEASE TAKE FURTHER NOTICE that objections to a proposed assumption and assignment of any contract or lease in connection with the Sale, the proposed Cure Cost with respect thereto, or adequate assurance of OpCo Purchaser’s or PropCo Purchaser’s, as applicable, ability to perform (an “Assignment Objection”) shall be governed by the Assignment Procedures attached as Exhibit C to the Sale Motion. Any properly and timely filed Assignment Objections that cannot be resolved by the parties will be heard at a dedicated hearing to be scheduled by the Debtors on no less than 14 days’ notice unless the Debtors and the objecting parties agree to a different time, in each case subject to Court availability. Any contract or lease subject to an unresolved Assignment Objection as of the applicable Closing shall not be assumed by the Debtors and assigned to the applicable Purchaser until such objection is resolved by agreement of the parties or further order of the Court.

PLEASE TAKE FURTHER NOTICE THAT YOU ARE RECEIVING THIS SALE HEARING NOTICE BECAUSE YOU ARE A CREDITOR OR CONTRACT COUNTERPARTY OF THE DEBTORS, OR OTHERWISE HAVE BEEN IDENTIFIED BY THE DEBTORS AS AN ENTITY WITH A PARTICULARIZED INTEREST IN THE SALE HEARING, AND THAT ANY PARTY OR ENTITY WHO FAILS TO TIMELY MAKE AN OBJECTION TO THE SALE ON OR BEFORE THE SALE HEARING IN ACCORDANCE WITH THE SALE MOTION 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 INTERESTS, EXCEPT AS SET FORTH IN THE ASSET PURCHASE AGREEMENT.

GENERAL RELEASE

THE ASSET PURCHASE AGREEMENT AND PROPOSED SALE ORDER EACH INCLUDE A GENERAL RELEASE OF THE PURCHASERS, CERTAIN INDIVIDUALS AFFILIATED WITH THE PURCHASERS, AND THE ACQUIRED ASSETS.

Additional Information

PLEASE TAKE FURTHER NOTICE that copies of the Sale Motion, exhibits thereto, the Asset Purchase Agreement, and any other related documents filed with the Court are available: (a) upon request to Prime Clerk LLC (the noticing and claims agent to be retained in these chapter 11 cases) by calling (877) 720-6576 (toll free) or, for international callers, (646) 979-4417; (b) by visiting the website maintained in these chapter 11 cases at **<http://cases.primeclerk.com/JCPenney>**; or (c) for a fee via PACER by visiting <http://www.txsb.uscourts.gov>.

October 21, 2020

/s/ Matthew D. Cavanaugh

JACKSON WALKER L.L.P.

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