

Hearing Date and Time: July 24, 2013 at 10:00 a.m. (EDT)
Objection Deadline: July 9, 2013 at 4:00 p.m. (EDT)

DUFF & PHELPS SECURITIES, LLC
Brent C. Williams
55 E. 52nd Street, 31st Floor
New York, NY 10055
Telephone: 212-277-0124
Facsimile: 917-267-7074

*Financial Advisor to the Official
Committee of Unsecured Creditors*

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11
Atari, Inc., <u>et al.</u> , ¹	: Case No. 13-10176 (JMP)
Debtors.	: (Jointly Administered)
----- X	

SUMMARY OF FIRST INTERIM APPLICATION OF DUFF & PHELPS SECURITIES, LLC, FINANCIAL ADVISORS TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND FOR REIMBURSEMENT OF EXPENSES FROM FEBRUARY 11, 2013 THROUGH APRIL 30, 2013

Name of Applicant:	<u>Duff & Phelps Securities, LLC</u>
Authorized to Provide Professional Services to:	<u>Official Committee of Unsecured Creditors</u>
Date of Retention Order:	<u>March 21, 2013, nunc pro tunc to February 11, 2013</u>
Period for Which Compensation and Reimbursement are Sought:	<u>February 11, 2013 through April 30, 2013</u>

¹ The Debtors are Atari, Inc., Atari Interactive, Inc., Humongous, Inc., and California U.S. Holdings, Inc.

Amount of Professional Fees Sought as Actual, \$132,142.86²
Reasonable, and Necessary:

Amount of Expense Reimbursement Sought as \$3,238.42
Actual, Reasonable, and Necessary:

Total Amount Sought: \$135,381.28

This is an/a: Interim Final Application

Aggregate Amounts Paid to Date: \$24,503.12

² On May 6, 2013, Alden Global Value Recovery Master Fund, L.P. ("Alden") filed its Notice of Omnibus Objection of Alden Global Value Recover Master Fund, L.P. to Second Monthly Fee Statement of Cooley LLP and Fee Statement of Duff & Phelps Securities LLC (the "Alden Objection") (Doc. No. 204) pursuant to which, among other things, Alden objected to the payment of fees requested by D&P in its 2nd Monthly Fee Statement in excess of a purported allocation of \$150,000 per month for Committee professionals. The Committee disputes that the Itemized Budget (as defined in the Alden Objection) governs the payment of fees and expenses incurred by Committee professionals, as it was never subject to Court approval or agreement among the parties. On May 7, 2013, the Debtors filed a joinder to the Alden Objection (Doc. No. 207).

This is D&P's first interim fee application in these cases. The following table summarizes the monthly fee statements covered by this First Interim fee application.

PERIOD COVERED, DATE FILED, AND DOCKET NO.	FEES REQUESTED	FEES PAID OR TO BE PAID (80%)	HOLDBACK (20%)	EXPENSES REQUESTED (100%)	OBJECTIONS
2/11/2013 – 3/31/2013 (FILED 4/22/2013, #192)	\$82,142.86	\$65,714.29 ³	\$16,428.57	\$1,703.12	YES
4/1/2013 - 4/30/2013 (FILED 5/20/2013, #217)	\$50,000.00	\$40,000.00 ⁴	\$10,000.00	\$1,535.30	NO
TOTALS	\$132,142.86	\$105,714.29	\$26,428.57	\$3,238.42	--

³ Of this amount, \$22,800.00 has been paid by the Debtors. The remainder has not been paid pending the resolution of the Alden Objection and joinder by the Debtors, pursuant to the Interim Compensation Order.

⁴ As of the date of this Application, this amount has not been paid.

HOURS SUMMARY

Name of Professional Person	Position	Total Hours
Brent Williams	Managing Director	10.00
Thomas Carlson	Managing Director	95.50
Mark Mondello	Managing Director	34.00
Ryan Bouley	Vice President	17.00
Alice Chong	Associate	238.50
Ray Peng	Analyst	228.50
	Total Hours	623.50

EXPENSE SUMMARY

Categories	Amount
Meals	\$764.00
Parking/Transportation	\$598.22
Professional Services	\$1,876.20
TOTAL	\$3,238.42

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In re	:	Chapter 11
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Atari, Inc., <u>et al.</u> , ¹	:	Case No. 13-10176 (JMP)
	:	
Debtors.	:	(Jointly Administered)
	:	
-----	X	

**FIRST INTERIM APPLICATION OF DUFF & PHELPS SECURITIES, LLC, FINANCIAL
ADVISOR TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS, FOR
ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND FOR
REIMBURSEMENT OF EXPENSES
FROM FEBRUARY 11, 2013 THROUGH APRIL 30, 2013**

TO THE HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE:

Duff & Phelps Securities, LLC (“D&P”), Financial Advisor to the Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases of Atari, Inc. and its affiliated debtors (collectively, the “Debtors”), submits this first application (the “Application”) seeking (a) allowance of interim compensation for professional services rendered by D&P to the Committee in

¹ The Debtors are Atari, Inc., Atari Interactive, Inc., Humongous, Inc., and California U.S. Holdings, Inc.

the amount of \$132,142.86 from February 11, 2013 through April 30, 2013 (the “Compensation Period”), and (b) reimbursement of expenses incurred in connection with such services in the amount of \$3,238.42, pursuant to sections 328 and 331 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January 30, 1996 (the “UST Guidelines”), General Order M-447, Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases (the “Local Guidelines”), and the Order Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals, entered in these cases on February 15, 2013 [Docket No. 81] (the “Interim Compensation Order”) and, collectively with the UST Guidelines and the Local Guidelines, the “Guidelines”). In support of this Application, D&P respectfully represents as follows:

Summary of Application

1. D&P seeks allowance of interim compensation for professional services rendered to the Committee during the Compensation Period in the amount of (i) \$132,142.86 in advisory fees (based on a monthly fee of \$50,000.00 as per the terms of the order approving D&P’s retention) and (ii) for reimbursement of expenses incurred and recorded in connection with the rendition of such services in the aggregate amount of \$3,238.42. During the Compensation Period, D&P professionals expended a total of 623.50 hours for which compensation is requested. D&P has received interim compensation payments to date in the amount of \$24,503.12, consisting of \$22,800 in fees and \$1,703.12 for reimbursement of expenses.

2. D&P does not maintain, in the normal course of providing financial advisory services to its clients, detailed written time records. However, in this case, D&P maintained

written records of the time expended by D&P professionals in the rendering of their professional services to the Committee. A schedule setting forth the number of hours expended by each of the professionals who rendered services to the Committee, along with the name of the professional, the date on which the services were performed, a description of the services rendered, and the amount of time spent in performing the services during the Compensation Period, is hereby attached as Exhibit "A." A summary schedule and detailed descriptions of the expenses for which D&P is seeking reimbursement and the total amount for each such expense category are attached hereto as Exhibit "B."

3. In preparing this Application, D&P has complied with the Guidelines, with the exception of providing its hours in the format utilized by attorneys. D&P believes that all applicable time and disbursement charges for the Compensation Period have been included herein. However, to the extent that time or disbursement charges for services rendered or disbursements incurred relate to the Compensation Period, but were not processed prior to the preparation of this Application, D&P reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application.

Jurisdiction and Venue

4. The Court has jurisdiction to consider the Application pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and may be determined by the Bankruptcy Court. Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

Background

5. On January 21, 2013, the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their businesses and

manage their properties as debtors in possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered pursuant to Bankruptcy Rule 1015(b).

6. On February 6, 2013, the United States Trustee for the Southern District of New York (the "US Trustee") appointed the Committee, which currently consists of: (i) CD Projekt S.A., f/k/a CD Projekt Red S.A.; (ii) CDV Software Entertainment, USA, Inc.; (iii) Liquid Entertainment; (iv) Rackspace Hosting; and (v) Taviant Technologies, Inc. On February 11, 2013, the Committee selected D&P to serve as its financial advisor in these Chapter 11 cases.

7. On March 21, 2013, the Court approved D&P's retention as financial advisor to the Committee *nunc pro tunc* to February 11, 2013, to render financial advisory services to the Committee in these chapter 11 cases (the "Retention Order" – Attached hereto as Exhibit "C"). As set forth more fully in the Committee's application to employ D&P, D&P has extensive experience in representing statutory committees in chapter 11 cases, as part of its prominent financial restructuring and bankruptcy expertise.

8. Pursuant to the Retention Order, which authorizes D&P's engagement on the terms set forth in the engagement letter dated February 21, 2013, effective as of February 11, 2013 (the "Engagement Letter" – Attached hereto as Exhibit "D"), D&P has agreed to render services to the Committee for a flat monthly fee of \$50,000 per month and the ability to seek a deferred restructuring fee of up to \$700,000, as defined in the Engagement Letter. D&P is also entitled to reimbursement for reasonable expenses incurred in connection with services performed on behalf of the Committee.

9. On May 6, 2013, Alden Global Value Recovery Master Fund, L.P. ("Alden") filed its Notice of Omnibus Objection of Alden Global Value Recover Master

Fund, L.P. to Second Monthly Fee Statement of Cooley LLP and Fee Statement of Duff & Phelps Securities LLC (the "Alden Objection") (Doc. No. 204) pursuant to which, among other things, Alden objected to the payment of fees requested by D&P in its 1st Monthly Fee Statement in excess of a purported allocation of \$150,000 per month for Committee professionals. The Committee disputes that the Itemized Budget (as defined in the Alden Objection) governs the payment of fees and expenses incurred by Committee professionals, as the Itemized Budget was never subject to Court approval or agreement among the parties. On May 7, 2013, the Debtors filed a joinder to the Alden Objection (Doc. No. 207).

Compensation Requested

10. By this Application, D&P requests allowance of fees in the amount of \$132,142.86 and reasonable and necessary expenses in the amount of \$3,238.42 for a total amount of \$135,381.28. This is D&P's first application for allowance of interim compensation for services rendered and for reimbursement of expenses.

11. Pursuant to the Interim Compensation Order, all professionals retained in these chapter 11 cases are authorized to seek, on a monthly basis, compensation for professional services rendered and reimbursement of expenses incurred. In the absence of any objection to the monthly statement of fees and expenses incurred (the "Monthly Statements"), the Debtors are authorized to pay 80% of the professional fees requested and 100% of the expenses incurred. A tabulation of fees and expenses incurred, as well as payments received by D&P, for Monthly Statements to date during the Compensation Period is located in the summary portion of the Application.

Services Rendered by D&P during the Compensation Period

12. The following summary of services rendered during the Compensation Period is not intended to be a detailed description of the work performed, as those day-to-day services and the time expended in performing such services are fully set forth in the daily time records. Rather, it is merely an attempt to highlight certain of those areas in which services were rendered to the Committee, as well as to identify some of the problems and issues that D&P was required to address.

Operational and Financial Due Diligence

13. D&P performed due diligence during the Compensation Period in order to assess the ongoing operational and financial position of the Debtors. This process included an in-depth review of the Debtors' historical and projected financial information, strategic business plan and restructuring initiatives, operational budget, monthly operating performance, and liquidity projections, as well as the Debtors' bankruptcy court filings. The due diligence process was ongoing and was conducted via meetings, teleconferences and data requests.

Financial Analysis

14. During the Compensation Period, D&P conducted ongoing financial analysis in order to assess the operational and financial position of the Debtors. This process included an in-depth review and analysis of significant amounts of financial information provided by the Debtors. Projects included an analysis of the Debtors' liquidity position and an analysis of the Debtors' performance with respect to its operational budget. The process was ongoing and was conducted via numerous teleconferences and financial information requests.

15. During the Compensation Period, D&P reviewed and analyzed the Company's cash flow forecast and operational budget, and worked with the Debtors and their

advisors in order to understand the basis for these budgets. These analyses were monitored along with a review of the Debtors' present financial performance as presented in the Monthly Operating Reports.

16. D&P also prepared and refined its analysis of the treatment of various claims subject to the current proceedings and created an analysis accordingly.

17. D&P reviewed court documents to assist the Committee in developing, evaluating, structuring and negotiating the terms and conditions of a potential global settlement.

18. Additionally, D&P expended time conducting various financial analyses related to litigation or contested hearings against third parties. As such, D&P reviewed documents produced by various parties and researched various issues in connection with the Committee's investigation of the prepetition claims and interests asserted against the Debtors' estates.

Committee Presentations and Memoranda

19. D&P's due diligence review and financial analysis contained a thorough review of all aspects of the Debtors' business, including the details of the Debtors' different revenue and cost drivers, financial projections and other business related information.

20. D&P participated in conference calls and meetings with the Committee and individual Committee members during the Compensation Period. Prior to these calls with the Committee, D&P prepared detailed presentations and financial analyses, and provided them to the Committee, discussing the status of the Debtors' ongoing financial matters.

21. Through these telephonic conferences, meetings and correspondence, D&P has assisted the Committee in fulfilling its statutory duties to make informed decisions regarding the various issues which have arisen in these cases, including the Debtors' proposed Key Employee

Incentive Plan. Additionally, D&P has provided the Committee information regarding the Debtors' management of the proceedings and regarding the prospects of the ongoing asset sale process.

22. In addition to the assignments and tasks set forth above, at the request of the Committee, D&P (i) provided the Committee with other appropriate general restructuring advice, (ii) reviewed and analyzed certain other financial information (as requested by the Committee), and (iii) provided other financial analysis in assistance to the Committee's counsel. All of D&P's activities were conducted with the goal of producing efficient and effective services to the Committee and the Debtors' estate.

Retention and Fee Application Preparation

23. During the Compensation Period, D&P spent time responding to Alden's objection to D&P's retention application and preparing for a contested hearing necessitated by the Alden objection. Additionally, D&P compiled time and expense descriptions of the services it provided, and performed other tasks in order to comply with the Interim Compensation Order. D&P made every effort to minimize the amount of fees incurred for these activities.

Disbursements

24. D&P has disbursed \$3,238.42 as expenses incurred and recorded in providing professional services for the Committee during the Compensation Period. These charges are intended to cover D&P's direct costs, which costs are not incorporated into D&P's monthly fee. Only clients who actually use services of the types for which reimbursement is sought are separately charged for such service. The effect of including such expenses as part of the monthly fee would impose that cost upon clients who do not require such services.

25. The time constraints imposed by the circumstances of these cases have required D&P's professionals at times to devote time during the evenings and on weekends to

the performance of financial services on behalf of the Committee. These extraordinary services were essential in order to meet deadlines, react timely to the rapidly changing financial condition of the Debtors, and satisfy the demands of the Committee in providing high-quality financial services. D&P has not charged for any overtime expense. Nonetheless, consistent with the provisions of the Guidelines, D&P has sought reimbursement for the expenses related to working meals and transportation.

26. D&P respectfully submits that the actual expenses incurred in providing professional services for which reimbursement is sought in this Application were necessary, reasonable, and justified under the circumstances to serve the needs of the Committee in fulfilling their statutory obligations.

Statements of D&P

27. No agreement or understanding prohibited by section 504 of the Bankruptcy Code exists between D&P and any other person for a sharing of compensation received or to be received for services rendered in or in connection with these chapter 11 cases, nor shall D&P share or agree to share the compensation paid or allowed from the Debtors' estate for such services with any other person in contravention of section 504 of the Bankruptcy Code. No agreement or understanding prohibited by 18 U.S.C. § 155 has been made by D&P.

28. Pursuant to Bankruptcy Rule 2016, D&P states that no payments, other than those mentioned herein in connection with D&P's engagement by the Committee, have heretofore been made or promised to D&P for services rendered or to be rendered in any capacity in connection with these chapter 11 cases.

Response to Alden Objection

29. In the Alden Objection, Alden objects to the payment of fees to Committee professionals, including Applicant, that exceed (in the aggregate) an amount purportedly allocated to Committee professionals in an Itemized Budget that was never submitted to or approved by this Court or agreed to by the parties. Applicant reserves all rights to respond to any substantive objections that Alden or the Debtors may assert with respect to the fees and expenses requested by this Application.

Notice

30. Pursuant to the Interim Compensation Order, D&P has served this Application by hand or overnight delivery on: (i) the Debtors, Atari, Inc., 475 Park Avenue South, Twelfth Floor, New York, New York 10016, Attn: Robert A. Mattes, CFO; (ii) counsel to Debtors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036, Attn: Ira S. Dizengoff, Esq. and Kristine Manoukian Esq.; Akin Gump Strauss Hauer & Feld LLP, Robert S. Strauss Building, 1333 New Hampshire Avenue, N.W., Washington, District of Columbia 20036, Attn: Scott L. Alberino, Esq.; (iii) counsel to Alden, Bracewell & Giuliani LLP, 1251 Avenue of the Americas, 49th Floor, New York, New York 10020, Attn: Robert G. Burns, Esq.; and (iv) the Office of the United States Trustee for the Southern District of New York, 271 Cadman Plaza East, Suite 4529, Brooklyn, New York 11201, Attn: Richard C. Morrissey, Esq. In light of the nature of the relief requested, D&P respectfully submits that no further notice need be provided.

WHEREFORE, D&P respectfully requests that this Court enter an order, granting (i) an interim allowance of compensation for professional services rendered as financial advisor to the Committee in the amount of \$132,142.86 for the period of February 11, 2013

through April 30, 2013; (ii) reimbursement of actual and necessary disbursements incurred and recorded by D&P in the amount of \$3,238.42 for the period of February 11, 2013 through April 30, 2013; (iii) such other and further relief as is just, and (iv) authority for the Debtors to pay to D&P any outstanding compensation and reimbursement of expenses incurred by D&P during this compensation period.

Dated: New York, New York
June 20, 2012

DUFF & PHELPS SECURITIES, LLC

By: 
Brent C. Williams
Managing Director
55 East 52nd Street, 31st Floor
New York, NY 10055
(212) 758-2629

Financial Advisor to the
Official Committee of Unsecured Creditors

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**UNITED STATES BANKRUPTCY COURT
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In re	:	Chapter 11
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Atari, Inc., <u>et al.</u> , ¹	:	Case No. 13-10176 (JMP)
	:	
Debtors.	:	(Jointly Administered)
	:	
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**CERTIFICATION PURSUANT TO GUIDELINES FOR FEES AND DISBURSEMENTS
FOR PROFESSIONALS IN RESPECT OF FIRST INTERIM APPLICATION OF
DUFF & PHELPS SECURITIES, LLC
FOR COMPENSATION AND REIMBURSEMENT OF EXPENSES**

I, Brent C. Williams, hereby certify that:

1. I am a Managing Director and the professional designated by the applicant, Duff & Phelps Securities, LLC (“D&P”), with responsibility for the bankruptcy-related financial advisory services to the Official Committee of Unsecured Creditors (the “Committee”) appointed in these chapter 11 cases of Atari, Inc. and its affiliated Debtors (the “Debtors”) with respect to compliance with the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted on January

¹ The Debtors are Atari, Inc., Atari Interactive, Inc., Humongous, Inc., and California U.S. Holdings, Inc.

Guidelines”), General Order M-447, Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases (the “Local Guidelines”), and the Order Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals, entered in these cases on February 15, 2013 [Docket No. 81] (the “Interim Compensation Order”) and, collectively with the UST Guidelines and the Local Guidelines (the “Guidelines”).

2. This certification is made in respect of D&P’s interim application, dated June 20, 2013 (the “Application”), including the exhibits annexed thereto, for interim compensation and reimbursement of expenses for the period commencing February 11, 2013 through April 30, 2013 (the “Compensation Period”) in accordance with the Local Guidelines.

3. In respect of Section A.1 of the Local Guidelines, I certify that:

(a) I have read the Application;

(b) To the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines and the UST Guidelines, except as specifically noted herein and described in the Application;

(c) The fees and disbursements sought are charged in accordance with practices customarily employed by D&P and generally accepted by D&P’s clients; and

(d) In providing a reimbursable service, D&P does not make a profit on that service, whether the service is performed by D&P itself or through a third party.

4. In respect of section A.2 of the Local Guidelines, I certify that: the Committee, the United States Trustee for the Southern District of New York (the “US Trustee”), the

Debtors, counsel for the Debtors, and counsel for the Committee have each been provided on a monthly basis, beginning with the month following the Order granting D&P's retention, with a statement of D&P's fees and disbursements accrued during the previous month in accordance with the Interim Compensation Order.

5. In respect of section A.3 of the Local Guidelines, I certify that the Committee, the US Trustee, the Debtors, counsel for the Debtors, and counsel for the Committee will each be provided with a copy of the Application in accordance with the Interim Compensation Order.

6. By this certification, D&P does not waive or release any rights or entitlements it has under the order of this Court, dated March 21, 2013, approving D&P's retention as financial advisor to the Committee *nunc pro tunc* to February 11, 2013, pursuant to D&P's normal billing and customary reimbursement and disbursement practices.

Dated: New York, New York
June 20, 2013



Brent C. Williams

EXHIBIT A

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 02/11/13 through 02/28/13

Summary of Hours for the Period 02/11/13 through 02/28/13

Professional	Title	Hours
Thomas Carlson	Managing Director	25.0
Mark Mondello	Managing Director	15.0
Ryan Bouley	Vice President	17.0
Alice Chong	Associate	57.5
Ray Peng	Analyst	53.0
Total		167.5

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 02/11/13 through 02/28/13

Thomas Carlson, Managing Director

Date	Description	Hours
2/12/13	Preparation/Call with UCC and/or Counsel	3.0
2/12/13	Reviewed/analyzed court docket and court documents	1.0
2/13/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
2/14/13	Preparation/Call with UCC and/or Counsel	2.5
2/15/13	Correspondence and/or Discussion with Case Professionals	1.5
2/16/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
2/17/13	Reviewed/analyzed court docket and court documents	1.0
2/19/13	Preparation/Call with UCC and/or Counsel	1.0
2/19/13	Correspondence and/or Discussion with Case Professionals	1.5
2/20/13	Reviewed and analyzed due diligence items	2.0
2/21/13	Preparation/Call with UCC and/or Counsel	1.0
2/21/13	Internal correspondence (email/calls) on Case issues and related analysis	0.5
2/22/13	Prepared/Reviewed D&P Retention Documents	1.0
2/25/13	Reviewed/analyzed the Debtor's financial operations and liquidity position	1.5
2/25/13	Internal correspondence (email/calls) on Case issues and related analysis	0.5
2/27/13	Reviewed and analyzed due diligence items	1.5
2/27/13	Prepared/reviewed presentation for UCC	1.5
2/28/13	Correspondence and/or Discussion with Case Professionals	1.0
February 11, 2013 through February 28, 2013		25.0

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 02/11/13 through 02/28/13

Mark Mondello, Managing Director

Date	Description	Hours
2/12/13	Preparation/Call with UCC and/or Counsel	3.0
2/12/13	Industry research/analysis	1.5
2/13/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
2/16/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
2/17/13	Industry research/analysis	1.0
2/19/13	Preparation/Call with UCC and/or Counsel	1.0
2/21/13	Preparation/Call with UCC and/or Counsel	1.0
2/21/13	Internal correspondence (email/calls) on Case issues and related analysis	0.5
2/25/13	Industry research/analysis	1.5
2/25/13	Internal correspondence (email/calls) on Case issues and related analysis	0.5
2/27/13	Industry research/analysis	1.0
2/28/13	Correspondence and/or Discussion with Case Professionals	1.0
February 11, 2013 through February 28, 2013		15.0

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 02/11/13 through 02/28/13

Ryan Bouley, Vice President

Date	Description	Hours
2/12/13	Preparation/Call with UCC and/or Counsel	3.0
2/13/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
2/14/13	Preparation/Call with UCC and/or Counsel	1.5
2/16/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
2/19/13	Preparation/Call with UCC and/or Counsel	1.0
2/19/13	Correspondence and/or Discussion with Case Professionals	1.5
2/19/13	Reviewed and analyzed due diligence items	1.0
2/20/13	Prepared/reviewed presentation for UCC	1.0
2/20/13	Reviewed and analyzed due diligence items	0.5
2/21/13	Preparation/Call with UCC and/or Counsel	1.0
2/21/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
2/22/13	Prepared/reviewed D&P retention documents	1.5
2/25/13	Reviewed and analyzed due diligence items	1.0
2/28/13	Correspondence and/or Discussion with Case Professionals	1.0
February 11, 2013 through February 28, 2013		17.0

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 02/11/13 through 02/28/13

Alice Chong, Associate

Date	Description	Hours
2/12/13	Meeting with Debtors, UCC, and other parties	1.0
2/12/13	Reviewed and analyzed due diligence items	0.5
2/13/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
2/14/13	Reviewed/analyzed court docket and court documents	3.0
2/14/13	Reviewed and analyzed due diligence items	1.5
2/14/13	Attended Court hearing and related preparation/analysis	4.0
2/15/13	Correspondence and/or Discussion with Case Professionals	1.5
2/16/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
2/18/13	Reviewed/analyzed court docket and court documents	1.5
2/18/13	Reviewed/analyzed Debtor's financial projections	1.5
2/19/13	Prepared/reviewed presentation for UCC	3.0
2/19/13	Correspondence and/or Discussion with Case Professionals	1.5
2/19/13	Reviewed/analyzed Debtor's financial projections	1.5
2/19/13	Reviewed and analyzed due diligence items	0.5
2/20/13	Prepared/reviewed presentation for UCC	1.5
2/20/13	Prepared/Reviewed D&P retention documents	2.0
2/21/13	Preparation/Call with UCC and/or Counsel	1.0
2/21/13	Internal correspondence (email/calls) on Case issues and related analysis	0.5
2/22/13	Prepared/Reviewed D&P retention documents	2.5
2/22/13	Industry research/analysis	1.0
2/23/13	Internal correspondence (email/calls) on Case issues and related analysis	2.5
2/23/13	Industry research/analysis	1.0
2/25/13	Reviewed and analyzed due diligence items	2.0
2/25/13	Reviewed/analyzed court docket and court documents	3.0
2/26/13	Industry research/analysis	1.5
2/26/13	Reviewed/analyzed the Debtor's financial operations and liquidity position	0.5
2/26/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
2/26/13	Reviewed/analyzed DIP	2.0
2/27/13	Reviewed and analyzed due diligence items	1.5
2/27/13	Prepared/reviewed presentation for UCC	1.5
2/28/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
2/28/13	Correspondence and/or Discussion with Case Professionals	2.5
2/28/13	Reviewed/analyzed court docket and court documents	4.0
2/28/13	Reviewed financial analysis	1.5
February 11, 2013 through February 28, 2013		57.5

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 02/11/13 through 02/28/13

Ray Peng, Analyst

Date	Description	Hours
2/11/13	Prepared working contact list for UCC	1.0
2/11/13	Reviewed/analyzed court docket and court documents	3.0
2/11/13	Reviewed financial analysis	0.5
2/11/13	Industry research/analysis	1.5
2/12/13	Preparation/Call with UCC and/or Counsel	2.5
2/13/13	Industry research/analysis	1.0
2/13/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
2/14/13	Reviewed and analyzed due diligence items	1.5
2/14/13	Preparation/Call with UCC and/or Counsel	1.5
2/18/13	Reviewed/analyzed court docket and court documents	2.0
2/19/13	Preparation/Call with UCC and/or Counsel	1.0
2/19/13	Correspondence and/or Discussion with Case Professionals	1.5
2/19/13	Reviewed and analyzed due diligence items	3.0
2/19/13	Reviewed and analyzed due diligence items	2.5
2/20/13	Prepared/reviewed presentation for UCC	3.5
2/20/13	Reviewed and analyzed due diligence items	0.5
2/21/13	Preparation/Call with UCC and/or Counsel	1.0
2/22/13	Industry research/analysis	1.5
2/23/13	Industry research/analysis	1.0
2/25/13	Reviewed and analyzed due diligence items	2.5
2/25/13	Reviewed and analyzed due diligence items	3.0
2/26/13	Industry research/analysis	1.5
2/26/13	Reviewed/analyzed the Debtor's financial operations and liquidity position	0.5
2/26/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
2/26/13	Prepared marketing materials	2.0
2/27/13	Reviewed/analyzed Debtor's 13-week cash flow model	1.5
2/27/13	Prepared/reviewed presentation for UCC	3.0
2/28/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
2/28/13	Reviewed/analyzed court docket and court documents	4.0
2/28/13	Reviewed financial analysis	1.0
February 11, 2013 through February 28, 2013		53.0

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 03/01/13 through 03/31/13

Summary of Hours for the Period 03/01/13 through 03/31/13

Professional	Title	Hours
Thomas Carlson	Managing Director	56.50
Mark Mondello	Managing Director	19.00
Alice Chong	Associate	130.50
Ray Peng	Analyst	127.50
Total		333.50

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 03/01/13 through 03/31/13

Thomas Carlson, Managing Director

Date	Description	Hours
3/1/13	Prepared/Reviewed D&P Retention Documents	1.5
3/2/13	Reviewed/analyzed court docket and court documents	1.0
3/3/13	Internal correspondence (email/calls) on Case issues and related analysis	2.0
3/4/13	Reviewed/analyzed DIP	1.5
3/5/13	Correspondence/analysis and discussion with UCC Counsel on Case issues	1.0
3/8/13	Preparation/Call with UCC and/or Counsel	2.0
3/9/13	Reviewed and analyzed due diligence items	1.0
3/10/13	Reviewed/analyzed court docket and court documents	1.5
3/12/13	Correspondence and/or Discussion with Case Professionals	1.0
3/12/13	Prepared/reviewed presentation for UCC	1.5
3/12/13	Reviewed and analyzed due diligence items	2.0
3/13/13	Prepared/reviewed fee analysis	1.5
3/14/13	Correspondence and/or Discussion with Case Professionals	2.5
3/15/13	Reviewed/analyzed court docket and court documents	1.5
3/15/13	Prepared/reviewed presentation for UCC	1.0
3/17/13	Prepared/Reviewed D&P Retention Documents	2.0
3/18/13	Reviewed/analyzed court docket and court documents	2.5
3/18/13	Prepared/reviewed fee analysis	1.5
3/18/13	Prepared/Reviewed D&P Retention Documents	3.0
3/19/13	Correspondence and/or Discussion with Case Professionals regarding diligence	0.5
3/20/13	Correspondence and/or Discussion with Case Professionals	2.0
3/21/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
3/21/13	Reviewed/analyzed court docket and court documents	1.5
3/21/13	Correspondence and/or Discussion with Case Professionals	3.0
3/22/13	Reviewed/analyzed court docket and court documents	1.0
3/22/13	Correspondence and/or Discussion with Case Professionals	1.0
3/25/13	Internal correspondence (email/calls) on Case issues and related analysis	2.0
3/26/13	Correspondence and/or Discussion with Case Professionals	0.5
3/26/13	Reviewed financial analysis	2.0
3/27/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
3/27/13	Reviewed/analyzed court docket and court documents	1.5
3/28/13	Attended Court hearing and related preparation/analysis	4.0
3/28/13	Reviewed and analyzed due diligence items	1.0
3/29/13	Correspondence and/or Discussion with Case Professionals	1.5
3/29/13	Reviewed/analyzed court docket and court documents	1.5
March 1, 2013 through March 31, 2013		56.5

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 03/01/13 through 03/31/13

Mark Mondello, Managing Director

Date	Description	Hours
3/3/13	Internal correspondence (email/calls) on Case issues and related analysis	2.0
3/4/13	Industry research/analysis	1.5
3/5/13	Correspondence/analysis and discussion with UCC Counsel on Case issues	1.0
3/9/13	Reviewed and analyzed due diligence items	1.5
3/12/13	Reviewed and analyzed due diligence items	1.5
3/14/13	Correspondence and/or Discussion with Case Professionals	2.5
3/20/13	Industry research/analysis	1.0
3/21/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
3/21/13	Industry research/analysis	1.5
3/25/13	Internal correspondence (email/calls) on Case issues and related analysis	2.0
3/25/13	Industry research/analysis	2.0
3/27/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
3/28/13	Reviewed and analyzed due diligence items	0.5
March 1, 2013 through March 31, 2013		19.0

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 03/01/13 through 03/31/13

Alice Chong, Associate

Date	Description	Hours
3/1/13	Prepared/Reviewed D&P Retention Documents	2.5
3/1/13	Reviewed/analyzed court docket and court documents	4.0
3/2/13	Reviewed/analyzed court docket and court documents	2.0
3/3/13	Reviewed/analyzed DIP	1.0
3/3/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
3/4/13	Reviewed/analyzed DIP	2.5
3/4/13	Prepared/reviewed presentation for UCC	3.0
3/5/13	Reviewed/analyzed DIP	2.0
3/5/13	Correspondence/analysis and discussion with UCC Counsel on Case issues	1.0
3/6/13	Attended Court hearing and related preparation/analysis	4.0
3/8/13	Preparation/Call with UCC and/or Counsel	2.0
3/8/13	Reviewed and analyzed due diligence items	1.5
3/9/13	Reviewed and analyzed due diligence items	3.5
3/9/13	Reviewed/analyzed court docket and court documents	2.0
3/10/13	Reviewed and analyzed due diligence items	2.5
3/10/13	Reviewed/analyzed court docket and court documents	2.5
3/11/13	Reviewed and analyzed due diligence items	1.0
3/11/13	Reviewed/analyzed court docket and court documents	1.0
3/11/13	Prepared/reviewed presentation for UCC	2.0
3/12/13	Prepared/reviewed fee analysis	1.5
3/12/13	Correspondence and/or Discussion with Case Professionals	1.0
3/12/13	Prepared/reviewed due diligence presentation(s) for UCC	3.5
3/12/13	Reviewed and analyzed due diligence items	1.5
3/13/13	Prepared/reviewed presentation for UCC	2.0
3/13/13	Prepared/reviewed fee analysis	1.0
3/13/13	Reviewed and analyzed due diligence items	2.5
3/14/13	Prepared/reviewed fee analysis	3.0
3/14/13	Correspondence and/or Discussion with Case Professionals	1.5
3/14/13	Reviewed/analyzed court docket and court documents	1.0
3/15/13	Prepared employee incentive plan related materials	1.5
3/15/13	Reviewed/analyzed court docket and court documents	2.5
3/15/13	Reviewed and analyzed due diligence items	1.0
3/15/13	Prepared/reviewed presentation for UCC	2.0
3/16/13	Reviewed/analyzed court docket and court documents	1.5
3/16/13	Prepared employee incentive plan related materials	3.0
3/16/13	Prepared/Reviewed D&P Retention Documents	2.0
3/17/13	Prepared/Reviewed D&P Retention Documents	3.0
3/17/13	Reviewed/analyzed court docket and court documents	1.0
3/17/13	Prepared employee incentive plan related materials	3.5
3/18/13	Reviewed/analyzed court docket and court documents	2.0
3/18/13	Prepared/reviewed fee analysis	3.0
3/18/13	Prepared/Reviewed D&P Retention Documents	5.0
3/18/13	Prepared/reviewed presentation for UCC	2.0
3/19/13	Correspondence and/or Discussion with Case Professionals regarding diligence	0.5

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 03/01/13 through 03/31/13

Alice Chong, Associate

Date	Description	Hours
3/19/13	Attended/reviewed Debtors' management presentation	2.0
3/19/13	Prepared/reviewed presentation for UCC	4.0
3/19/13	Reviewed/analyzed court docket and court documents	1.0
3/20/13	Correspondence and/or Discussion with Case Professionals	1.0
3/20/13	Attended Court hearing and related preparation/analysis	3.0
3/20/13	Prepared/reviewed presentation for UCC	2.5
3/21/13	Preparation/Call with UCC and/or Counsel	1.0
3/21/13	Reviewed/analyzed court docket and court documents	5.5
3/21/13	Correspondence and/or Discussion with Case Professionals	2.0
3/21/13	Reviewed and analyzed due diligence items	2.0
3/22/13	Reviewed and analyzed due diligence items	1.5
3/22/13	Correspondence and/or Discussion with Case Professionals	1.0
3/22/13	Preparation/Call with UCC and/or Counsel	0.5
3/25/13	Prepared employee incentive plan related materials	2.0
3/25/13	Preparation/Call with UCC and/or Counsel	1.0
3/26/13	Correspondence and/or Discussion with Case Professionals	0.5
3/27/13	Reviewed and analyzed due diligence items	0.5
3/28/13	Reviewed and analyzed due diligence items	0.5
3/28/13	Prepared/reviewed presentation for UCC	1.5
3/29/13	Reviewed and analyzed due diligence items	1.5
3/29/13	Reviewed/analyzed court docket and court documents	1.0
3/29/13	Correspondence and/or Discussion with Case Professionals	1.5
March 1, 2013 through March 31, 2013		130.5

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 03/01/13 through 03/31/13

Ray Peng, Analyst

Date	Description	Hours
3/1/13	Reviewed/analyzed court docket and court documents	4.5
3/2/13	Reviewed/analyzed DIP	4.0
3/3/13	Reviewed/analyzed DIP	3.5
3/3/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
3/4/13	Reviewed/analyzed DIP	3.0
3/4/13	Prepared/reviewed presentation for UCC	5.0
3/5/13	Reviewed/analyzed DIP	2.5
3/5/13	Correspondence/analysis and discussion with UCC Counsel on Case issues	1.0
3/7/13	Reviewed financial analysis	1.5
3/8/13	Preparation/Call with UCC and/or Counsel	2.0
3/9/13	Internal correspondence (email/calls) on Case issues and related analysis	2.0
3/9/13	Preparation/Call with UCC and/or Counsel	1.5
3/10/13	Reviewed and analyzed due diligence items	2.0
3/10/13	Reviewed/analyzed court docket and court documents	3.5
3/11/13	Reviewed and analyzed due diligence items	2.5
3/11/13	Reviewed/analyzed court docket and court documents	1.0
3/11/13	Prepared/reviewed presentation for UCC	4.5
3/12/13	Prepared/reviewed fee analysis	4.0
3/12/13	Prepared/reviewed presentation for UCC	3.0
3/12/13	Reviewed and analyzed due diligence items	2.0
3/13/13	Reviewed and analyzed due diligence items	1.5
3/13/13	Reviewed/analyzed court docket and court documents	1.5
3/13/13	Prepared/reviewed fee analysis	5.0
3/14/13	Prepared/reviewed fee analysis	4.5
3/14/13	Reviewed/analyzed court docket and court documents	1.5
3/15/13	Prepared employee incentive plan related materials	4.5
3/15/13	Reviewed/analyzed court docket and court documents	1.0
3/16/13	Prepared employee incentive plan related materials	2.0
3/16/13	Reviewed/analyzed court docket and court documents	1.5
3/17/13	Reviewed/analyzed court docket and court documents	0.5
3/18/13	Completed financial analysis and related activities	3.0
3/18/13	Prepared/reviewed fee analysis	2.5
3/18/13	Prepared/reviewed presentation for UCC	2.5
3/19/13	Attended/reviewed Debtors' management presentation	2.0
3/19/13	Prepared/reviewed presentation for UCC	4.0
3/19/13	Reviewed/analyzed court docket and court documents	0.5
3/20/13	Attended/reviewed Debtors' management presentation	4.0
3/20/13	Completed financial analysis and related activities	1.5
3/20/13	Prepared/reviewed presentation for UCC	1.5
3/21/13	Preparation/Call with UCC and/or Counsel	1.0
3/21/13	Attended/reviewed Debtors' management presentation	4.0
3/21/13	Completed financial analysis and related activities	2.5
3/22/13	Attended/reviewed Debtors' management presentation	1.0
3/22/13	Correspondence and/or Discussion with Case Professionals	1.0

Atari, Inc.

Duff & Phelps LLC

Summary of Hours for the Period 03/01/13 through 03/31/13

Ray Peng, Analyst

Date	Description	Hours
3/22/13	Preparation/Call with UCC and/or Counsel	0.5
3/25/13	Completed financial analysis and related activities	2.0
3/25/13	Prepared employee incentive plan related materials	3.0
3/26/13	Completed financial analysis and related activities	3.5
3/26/13	Correspondence and/or Discussion with Case Professionals	0.5
3/27/13	Completed financial analysis and related activities	3.0
3/27/13	Reviewed and analyzed due diligence items	0.5
3/28/13	Prepared/reviewed due diligence presentation(s) for UCC	2.5
3/29/13	Reviewed and analyzed due diligence items	1.0
3/29/13	Reviewed/analyzed court docket and court documents	2.0
March 1, 2013 through March 31, 2013		127.5

Atari, Inc.

Duff & Phelps Securities, LLC

Summary of Hours for the Period 4/1/13 through 4/30/13

Summary of Hours for the Period 4/1/13 through 4/30/13

April-13

Professional	Title	Hours
Brent Williams	Managing Director	10.0
Thomas Carlson	Managing Director	14.0
Alice Chong	Associate	50.5
Ray Peng	Analyst	48.0
Total		122.5

Atari, Inc.

Duff & Phelps Securities, LLC

[Summary of Hours for the Period 4/1/13 through 4/30/13](#)

Brent Williams, Managing Director

Date	Description	Hours
4/27/13	Internal correspondence (email/calls) on Case issues and related analysis	3.0
4/27/13	Reviewed and analyzed due diligence items	1.5
4/28/13	Internal correspondence (email/calls) on Case issues and related analysis	2.0
4/28/13	Reviewed and analyzed due diligence items	1.0
4/29/13	Reviewed and analyzed due diligence items	0.5
4/29/13	Correspondence and/or Discussion with Case Professionals	0.5
4/30/13	Correspondence and/or Discussion with Case Professionals	1.5
April 1, 2013 through April 30, 2013		10.0

Atari, Inc.

Duff & Phelps Securities, LLC

Summary of Hours for the Period 4/1/13 through 4/30/13

Thomas Carlson, Managing Director

Date	Description	Hours
4/2/13	Internal correspondence (email/calls) on Case issues and related analysis	0.5
4/3/13	Correspondence and/or Discussion with Case Professionals	1.0
4/3/13	Prepared/reviewed presentation for UCC	1.0
4/4/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
4/4/13	Correspondence and/or Discussion with Case Professionals	1.0
4/9/13	Correspondence and/or Discussion with Case Professionals	1.0
4/10/13	Correspondence and/or Discussion with Case Professionals	2.5
4/10/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
4/10/13	Reviewed and analyzed due diligence items	0.5
4/16/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
4/18/13	Correspondence and/or Discussion with Case Professionals	1.0
4/18/13	Internal correspondence (email/calls) on Case issues and related analysis	0.5
4/23/13	Internal correspondence (email/calls) on Case issues and related analysis	0.5
4/25/13	Correspondence and/or Discussion with Case Professionals	1.0
April 1, 2013 through April 30, 2013		14.0

Atari, Inc.

Duff & Phelps Securities, LLC

Summary of Hours for the Period 4/1/13 through 4/30/13

Alice Chong, Associate

Date	Description	Hours
4/2/13	Correspondence and/or Discussion with Case Professionals	0.5
4/2/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
4/2/13	Reviewed and analyzed due diligence items	2.0
4/2/13	Prepared/reviewed presentation for UCC	1.5
4/3/13	Correspondence and/or Discussion with Case Professionals	1.0
4/3/13	Reviewed and analyzed due diligence items	1.0
4/3/13	Prepared/reviewed presentation for UCC	2.0
4/4/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
4/4/13	Correspondence and/or Discussion with Case Professionals	1.0
4/5/13	Review of DIP reporting	0.5
4/7/13	Reviewed and analyzed due diligence items	1.0
4/8/13	Reviewed/analyzed court docket and court documents	1.5
4/9/13	Correspondence and/or Discussion with Case Professionals	0.5
4/10/13	Correspondence and/or Discussion with Case Professionals	1.0
4/10/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
4/10/13	Reviewed and analyzed due diligence items	2.0
4/12/13	Review of DIP reporting	1.0
4/15/13	Reviewed/analyzed court docket and court documents	2.5
4/15/13	Reviewed and analyzed due diligence items	1.0
4/16/13	Correspondence and/or Discussion with Case Professionals	0.5
4/16/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
4/16/13	Reviewed and analyzed due diligence items	1.5
4/17/13	Reviewed and analyzed due diligence items	2.0
4/17/13	Reviewed/analyzed court docket and court documents	1.0
4/18/13	Correspondence and/or Discussion with Case Professionals	0.5
4/18/13	Reviewed/analyzed court docket and court documents	1.5
4/18/13	Internal correspondence (email/calls) on Case issues and related analysis	0.5
4/19/13	Review of DIP reporting	0.5
4/22/13	Reviewed/analyzed court docket and court documents	2.0
4/22/13	Reviewed and analyzed due diligence items	1.5
4/23/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
4/24/13	Reviewed and analyzed due diligence items	2.0
4/25/13	Correspondence and/or Discussion with Case Professionals	0.5
4/25/13	Reviewed and analyzed due diligence items	1.5
4/26/13	Review of DIP reporting	1.0
4/27/13	Internal correspondence (email/calls) on Case issues and related analysis	3.5
4/28/13	Internal correspondence (email/calls) on Case issues and related analysis	2.0
4/29/13	Correspondence and/or Discussion with Case Professionals	0.5
4/30/13	Correspondence and/or Discussion with Case Professionals	1.5
April 1, 2013 through April 30, 2013		50.5

Atari, Inc.

Duff & Phelps Securities, LLC

Summary of Hours for the Period 4/1/13 through 4/30/13

Ray Peng, Analyst

Date	Description	Hours
4/2/13	Correspondence and/or Discussion with Case Professionals	0.5
4/2/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
4/2/13	Reviewed and analyzed due diligence items	1.5
4/2/13	Prepared/reviewed presentation for UCC	2.0
4/3/13	Correspondence and/or Discussion with Case Professionals	0.5
4/3/13	Reviewed and analyzed due diligence items	1.0
4/3/13	Prepared/reviewed presentation for UCC	2.0
4/4/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
4/4/13	Correspondence and/or Discussion with Case Professionals	0.5
4/5/13	Review of DIP reporting	1.0
4/7/13	Reviewed and analyzed due diligence items	1.5
4/8/13	Reviewed/analyzed court docket and court documents	2.0
4/10/13	Correspondence and/or Discussion with Case Professionals	1.0
4/10/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
4/10/13	Reviewed and analyzed due diligence items	2.0
4/12/13	Review of DIP reporting	1.0
4/14/13	Prepared time entries	1.0
4/15/13	Prepared time entries	1.5
4/15/13	Reviewed/analyzed court docket and court documents	2.0
4/16/13	Reviewed and analyzed due diligence items	2.0
4/16/13	Correspondence and/or Discussion with Case Professionals	0.5
4/16/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
4/17/13	Reviewed and analyzed due diligence items	1.0
4/18/13	Reviewed and analyzed due diligence items	1.5
4/19/13	Review of DIP reporting	1.0
4/22/13	Reviewed/analyzed court docket and court documents	2.0
4/22/13	Reviewed and analyzed due diligence items	2.0
4/23/13	Internal correspondence (email/calls) on Case issues and related analysis	1.0
4/23/13	Reviewed and analyzed due diligence items	0.5
4/25/13	Correspondence and/or Discussion with Case Professionals	1.0
4/26/13	Review of DIP reporting	1.0
4/27/13	Internal correspondence (email/calls) on Case issues and related analysis	1.5
4/29/13	Correspondence and/or Discussion with Case Professionals	0.5
4/30/13	Correspondence and/or Discussion with Case Professionals	1.5
4/30/13	Prepared time entries	1.0
April 1, 2013 through April 30, 2013		48.0

EXHIBIT B

Duff & Phelps Securities, LLC
Expense Detail for Atari, Inc.
Period from February 11, 2013 through February 28, 2013

EXPENSE DETAIL LOCATED ON THE FOLLOWING PAGE(S)

February 11, 2013 through February 28, 2013	
Category	Amount
Business Meals	140.00
Parking / Transportation	123.10
Professional Services	295.00
Total	\$ 558.10

Duff & Phelps Securities, LLC

Expense Detail for Atari, Inc.

Period from February 11, 2013 through February 28, 2013

February 11, 2013 through February 28, 2013	
Category	Amount
Business Meals	140.00
Parking / Transportation	123.10
Professional Services	295.00
Total	\$ 558.10

Meals Detail

Professional	Date	Description	Amount
Chong, Alice	02/20/13	Late Night Working Dinner - One Professional	\$ 25.00
Chong, Alice	02/21/13	Late Night Working Dinner - One Professional	\$ 25.00
Chong, Alice	02/22/13	Late Night Working Dinner - One Professional	\$ 25.00
Chong, Alice	02/23/13	Late Night Working Dinner - One Professional	\$ 15.00
Chong, Alice	02/23/13	Late Night Working Dinner - One Professional	\$ 25.00
Chong, Alice	02/26/13	Late Night Working Dinner - One Professional	\$ 25.00
			<u>\$ 140.00</u>

Transportation Detail [All in-town late night taxis are allowed after 8pm, otherwise public transportation is used]

Professional	Date	Description	Amount
Chong, Alice	02/12/13	Late Night NYC Taxi from Office to Home	\$ 7.10
Chong, Alice	02/12/13	Taxi from Meeting to Office	8.00
Chong, Alice	02/12/13	Taxi from Home to Meeting	8.00
Chong, Alice	02/21/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	02/22/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	02/23/13	Weekend Taxi from Home to Office	20.00
Chong, Alice	02/23/13	Weekend Taxi from Office to Home	20.00
Chong, Alice	02/26/13	Late Night NYC Taxi from Office to Home	20.00
			<u>\$ 123.10</u>

Professional Services [Hours Detail and Invoice(s) Attached]

Professional	Date	Description	Amount
Miller, Erica	2/11/13 - 2/28/13	Processing of Retention / Fee Application	\$ 295.00
			<u>\$ 295.00</u>

Duff & Phelps Securities, LLC

Summary of Atari, Inc., et al. hours for Erica Jones Miller

Period from February 11, 2013 through February 28, 2013

Professional Services Performed for Duff & Phelps, Securities LLC

<u>Date</u>	<u>Description</u>	<u>Hours</u>	<u>Rate/Hour</u>	<u>Billed Amount</u>
20-Feb-13	Perform conflict check.	2.00	\$ 118.00	\$ 236.00
28-Feb-13	Research re: deal.	0.50	\$ 118.00	59.00
Total February Hours		<u>2.50</u>		<u>\$ 295.00</u>

Duff & Phelps Securities, LLC
Expense Detail for Atari, Inc.
Period from March 1, 2013 through March 31, 2013

EXPENSE DETAIL LOCATED ON THE FOLLOWING PAGE(S)

March 2013	
Category	Amount
Business Meals	549.00
Parking / Transportation	442.62
Professional Services	153.40
Total	<u>\$ 1,145.02</u>

Duff & Phelps Securities, LLC

Expense Detail for Atari, Inc.

Period from March 1, 2013 through March 31, 2013

March 2013	
Category	Amount
Business Meals	549.00
Parking / Transportation	442.62
Professional Services	153.40
Total	\$ 1,145.02

Meals Detail

Professional	Date	Description	Amount
Chong, Alice	03/05/13	Working Dinner - One Professional	\$ 25.00
Chong, Alice	03/06/13	Working Dinner - One Professional	25.00
Chong, Alice	03/08/13	Working Dinner - One Professional	25.00
Chong, Alice	03/09/13	Working Dinner - One Professional	25.00
Chong, Alice	03/09/13	Working Lunch - One Professional	15.00
Chong, Alice	03/10/13	Working Dinner - One Professional	25.00
Chong, Alice	03/10/13	Working Lunch - One Professional	15.00
Chong, Alice	03/11/13	Working Dinner - One Professional	25.00
Chong, Alice	03/12/13	Working Dinner - One Professional	25.00
Chong, Alice	03/13/13	Working Dinner - One Professional	25.00
Chong, Alice	03/14/13	Working Dinner - One Professional	25.00
Chong, Alice	03/15/13	Working Dinner - One Professional	25.00
Chong, Alice	03/16/13	Working Dinner - One Professional	25.00
Chong, Alice	03/16/13	Working Lunch - One Professional	15.00
Chong, Alice	03/17/13	Working Dinner - One Professional	25.00
Chong, Alice	03/17/13	Working Lunch - One Professional	15.00
Chong, Alice	03/18/13	Working Dinner - One Professional	25.00
Chong, Alice	03/19/13	Working Dinner - One Professional	25.00
Carlson, Thomas	03/28/13	Working Dinner - Two Professionals	70.00
Carlson, Thomas	03/20/13	Working Dinner - Two Professionals	69.00
			\$ 549.00

Transportation Detail [All in-town late night taxis are allowed after 8pm, otherwise public transportation is used]

Professional	Date	Description	Amount
Chong, Alice	03/05/13	Late Night NYC Taxi from Office to Home	\$ 20.00
Chong, Alice	03/06/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/08/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/09/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/09/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/10/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/10/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/11/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/12/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/13/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/14/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/15/13	Late Night NYC Taxi from Office to Home	20.00
Chong, Alice	03/16/13	Weekend Working NYC taxi from Home to Office	20.00
Chong, Alice	03/16/13	Weekend Working NYC taxi from Office to Home	20.00
Chong, Alice	03/17/13	Weekend Working NYC taxi from Office to Home	20.00
Chong, Alice	03/17/13	Weekend Working NYC taxi from Home to Office	20.00
Chong, Alice	03/18/13	Late Night NYC taxi from Office to Home	20.00
Chong, Alice	03/19/13	Late Night NYC taxi from Office to Home	20.00
Carlson, Thomas	03/28/13	Taxi from Office to Meeting	13.00
Peng, Ray	03/13/13	Late Night NYC taxi from Office to Home	15.00
Peng, Ray	03/14/13	Late Night NYC taxi from Office to Home	15.00
Peng, Ray	03/15/13	Late Night NYC taxi from Office to Home	14.00
Chong, Alice	03/28/13	Taxi to Home to Court hearing	25.62
			\$ 442.62

Professional Services [Hours Detail and Invoice(s) Attached]

Professional	Date	Description	Amount
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Duff & Phelps Securities, LLC
Expense Detail for Atari, Inc.

Period from March 1, 2013 through March 31, 2013

Miller, Erica	3/1/13 - 3/31/13	Processing of Retention / Fee Application	\$	153.40
			\$	<u>153.40</u>

Duff & Phelps Securities, LLC

Summary of Atari, Inc., et al. hours for Erica Jones Miller

Period from March 1, 2013 through March 31, 2013

Professional Services Performed for Duff & Phelps, Securities LLC

<u>Date</u>	<u>Description</u>	<u>Hours</u>	<u>Rate/Hour</u>	<u>Billed Amount</u>
1-Mar-13	Conflict check	1.00	\$ 118.00	\$ 118.00
12-Mar-13	Emails re: conflict check.	0.30	\$ 118.00	35.40
Total March Hours		1.30		\$ 153.40

Duff & Phelps Securities, LLC
Expense Detail for Atari, Inc.
Period from April 1, 2013 through April 30, 2013

EXPENSE DETAIL LOCATED ON THE FOLLOWING PAGE(S)

April 2013	
Category	Amount
Business Meals	75.00
Parking / Transportation	32.50
Professional Services	1,427.80
Total	<u>\$ 1,535.30</u>

Duff & Phelps Securities, LLC
Expense Detail for Atari, Inc.
Period from April 1, 2013 through April 30, 2013

April 2013	
Category	Amount
Business Meals	75.00
Parking / Transportation	32.50
Professional Services	1,427.80
Total	\$ 1,535.30

Meals Detail

Professional	Date	Description	Amount
Peng, Ray	04/01/13	Late Night Working Dinner - One Professional	\$ 25.00
Chong, Alice	04/17/13	Late Night Working Dinner - One Professional	\$ 25.00
Chong, Alice	04/28/13	Late Night Working Dinner - One Professional	\$ 25.00
			<u>\$ 75.00</u>

Transportation Detail [All in-town late night taxis are allowed after 8pm, otherwise public transportation is used]

Professional	Date	Description	Amount
Peng, Ray	04/01/13	Late Night NYC Taxi from Office to Home	\$ 12.50
Chong, Alice	04/17/13	Late Night NYC Taxi from Office to Home	20.00
			<u>\$ 32.50</u>

Professional Services [Hours Detail and Invoice(s) Attached]

Professional	Date	Description	Amount
Miller, Erica	4/1/13 - 4/30/13	Processing of Retention / Fee Application	\$ 1,427.80
			<u>\$ 1,427.80</u>

Duff & Phelps Securities, LLC

Summary of Atari, Inc., et al. hours for Erica Jones Miller

Period from April 1, 2013 through April 30, 2013

Professional Services Performed for Duff & Phelps, Securities LLC

<u>Date</u>	<u>Description</u>	<u>Hours</u>	<u>Rate/Hour</u>	<u>Billed Amount</u>
3-Apr-13	Reviewed filings.	0.50	\$ 118.00	\$ 59.00
5-Apr-13	Worked on first application.	0.50	\$ 118.00	\$ 59.00
8-Apr-13	Reviewed filings.	0.30	\$ 118.00	\$ 35.40
9-Apr-13	Worked on fee statement.	0.30	\$ 118.00	\$ 35.40
10-Apr-13	Worked on fee statement.	1.50	\$ 118.00	\$ 177.00
11-Apr-13	Worked on fee statement.	1.50	\$ 118.00	\$ 177.00
12-Apr-13	T/C with GG re: expenses. Worked on same.	0.50	\$ 118.00	\$ 59.00
16-Apr-13	Worked on fee statement.	1.00	\$ 118.00	\$ 118.00
18-Apr-13	Worked on fee statement. Emails with team and counsel re: same.	2.00	\$ 118.00	\$ 236.00
19-Apr-13	Finalized and sent fee statement.	1.00	\$ 118.00	\$ 118.00
23-Apr-13	Reviewed docket and filings.	0.80	\$ 118.00	\$ 94.40
24-Apr-13	Reviewed docket and filings.	0.80	\$ 118.00	\$ 94.40
25-Apr-13	Worked on next fee statement.	0.70	\$ 118.00	\$ 82.60
29-Apr-13	Reviewed case docket.	0.30	\$ 118.00	\$ 35.40
30-Apr-13	Worked on April.	0.40	\$ 118.00	\$ 47.20

Total April Hours 12.10 **\$** 1,427.80

EXHIBIT C

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

<hr/>)	
In re:))	Chapter 11
))	
Atari, Inc., <u>et al.</u> ,))	Case No. 13-10176 (JMP)
))	
Debtors.))	(Jointly Administered)
<hr/>)	

**ORDER AUTHORIZING RETENTION AND EMPLOYMENT OF DUFF & PHELPS
SECURITIES, LLC, AS FINANCIAL ADVISOR TO THE OFFICIAL COMMITTEE
OF UNSECURED CREDITORS NUNC PRO TUNC TO FEBRUARY 11, 2013**

Upon the application (the "Application") of the Official Committee of Unsecured Creditors (the "Committee") of the above-captioned debtors and debtors-in-possession (the "Debtors") for the entry of an order, pursuant to sections 328(a) and 1103(a) of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (as amended and supplemented, the "Bankruptcy Code"), Rule 2014(a) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 2014-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the "Local Rules"), authorizing the Committee to retain and employ Duff & Phelps Securities, LLC ("D&P") as its financial advisor in connection with these Chapter 11 cases *nunc pro tunc* to February 11, 2013 pursuant to the terms of the Engagement Letter¹ and as supported by the Declaration of Thomas Clark Carlson, a Managing Director at D&P (the "Carlson Declaration"); and this Court having jurisdiction to consider the Application and the relief requested therein pursuant to 28 U.S.C. §§ 157(b) and 1334; and this proceeding being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided, and it appearing that no other or further notice need be provided; and this

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Application.

Court having reviewed the Application; and the Court being satisfied based on the representations made in the Application and the Carlson Declaration, that D&P represents no interest adverse to the Committee and/or the Debtors' estates with respect to the matters upon which it is to be engaged, that the terms and conditions set forth in the Engagement Letter are reasonable; and this Court having determined that D&P is a "disinterested person" as that term is defined in section 101(14) of the Bankruptcy Code; and upon the limited objection of Alden Global Value Recovery Master Fund, L.P. and the Statement and Reservation of Rights of the Debtors (together, the "Objections"); and upon the record of the hearing held before the Court on March 20, 2013; and the Court having determined that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and this Court being satisfied that D&P's employment is necessary and in the best interest of the Committee, the Debtors' estates and all parties-in-interest, and after due deliberation and sufficient cause appearing therefor, it is hereby:

ORDERED that the Objections are overruled and the Application is GRANTED;
and it is further

ORDERED that in accordance with sections 328(a) and 1103(a) of the Bankruptcy Code and Bankruptcy Rule 2014(a), the Committee is authorized to retain and employ D&P as its financial advisor, *nunc pro tunc* to February 11, 2013 on the terms described in the Application and set forth in the Engagement Letter; and it is further

ORDERED that D&P shall be compensated in accordance with the Engagement Letter and that D&P is authorized to perform the services set forth in the Application, as more fully described in the Engagement Letter, in compliance with the applicable provisions of the

Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any other applicable procedures and orders of this Court; and it is further

ORDERED that notwithstanding the foregoing, fee applications filed by D&P shall be subject to review only pursuant to the standards set forth in section 328(a) of the Bankruptcy Code, and not subject to the standards of review set forth in section 330 of the Bankruptcy Code; provided, however, that the U.S. Trustee shall retain the right to object to any D&P fee application based on the reasonableness standard pursuant to section 330 and of the Bankruptcy Code; and it is further

ORDERED that D&P and its professionals (i) shall be permitted to provide hours in half hour increments along with reasonably detailed time records and (ii) shall not be required to maintain or provide detailed time records using project categories in connection with its fee applications; and it is further

ORDERED that all requests of D&P for indemnification or contribution payments pursuant to the Engagement Letter shall be made by means of an application (interim or final as the case may be) and shall be subject to review by this Court to ensure that payment of indemnification or contribution payments conforms to the terms of the Engagement Letter and is reasonable based upon the circumstances of the litigation or settlement in respect of which indemnity or contribution is sought; provided, however, that in no event shall D&P be indemnified or receive contribution (i) in the case of its own bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence or willful misconduct, or (ii) if the Debtors or a representative of the estates asserts a claim for, and a court of competent jurisdiction determines by final order that such claim arose out of, D&P's own bad faith, self-dealing, breach of fiduciary duty (if any), gross negligence, or willful misconduct; and it is further

ORDERED that in the event that D&P seeks reimbursement for attorneys' fees from the Debtors relating to indemnity claims, the invoices and supporting time records from such attorneys shall be included in D&P's own applications (both interim and final) and such invoices and time records shall be subject to the United States Trustee's Guidelines for compensation and reimbursement of expenses and approval by the Bankruptcy Court under the standards of sections 330 and 331 of the Bankruptcy Code, without regard to whether such attorney has been retained under section 327 of the Bankruptcy Code and without regard to whether such attorney's services satisfy section 330(a)(3)(C) of the Bankruptcy Code; and it is further

ORDERED that notwithstanding the possible applicability of Bankruptcy Rules 6004, 7062 and 9014, or otherwise, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that to the extent there is any inconsistency between this Order and the Engagement Letter, this Order shall govern; and it is further

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: New York, New York
March 21, 2013

s/ James M. Peck
HONORABLE JAMES M. PECK
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT D

DUFF & PHELPS

February 21, 2013

PRIVILEGED AND CONFIDENTIAL

To: The Official Committee of Unsecured Creditors of Atari Inc.

Dear Committee Members:

This letter, effective nunc pro tunc to February 11, 2011, confirms the understanding and agreement (the "Agreement") with the Official Committee of Unsecured Creditors (the "Committee") of Atari Inc. and its associated debtors-in-possession (the "Debtors") that have filed petitions commencing cases (the "Chapter 11 Cases") under the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), concerning the Committee's engagement of Duff & Phelps Securities, LLC ("Duff & Phelps") as financial advisor. The Debtors, by executing this letter, acknowledge and agree, subject to Bankruptcy Court approval, to be responsible for the payment and other obligations to Duff & Phelps, and agrees to be bound by the acknowledgements made by it in this Agreement.

1. Engagement: Duff & Phelps is being retained to provide financial advisory services for the Committee in connection with the Debtors' restructuring of indebtedness and Chapter 11 Cases, including the analysis, consideration and development of a Chapter 11 plan of reorganization (the "Plan") for one or more of the Debtors. Upon retention, Duff & Phelps will work at the reasonable request and direction of the Committee to:

- (a) Review and analyze the Debtors' operations, financial condition, cash flows, business plan, strategy, and operating forecasts;
- (b) Evaluate the assets and liabilities of the Debtors and evaluate the Debtors' strategic and financial alternatives;
- (c) Assist in the determination of an appropriate go-forward capital structure for the Debtors;
- (d) Determine a theoretical range of values for the Debtors on a going concern basis;
- (e) Evaluate the Debtors' debt capacity in light of its projected cash flows;
- (f) Assist the Committee in developing, evaluating, structuring and negotiating the terms and conditions of a restructuring or Plan, including the value of securities, if any, that may be issued to unsecured creditors under any such restructuring or Plan;
- (g) Assist the Committee in monitoring a sales process and evaluating bids to purchase the Debtors;

The Official Committee of Unsecured Creditors of
Atari, Inc.
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- (h) Assist the Committee in analyzing any new debt and/or equity capital including debtor-in-possession financing (including advice on the nature and terms of the new securities);
- (i) Provide testimony, as necessary, before the Bankruptcy Court; and
- (j) Provide the Committee with other appropriate general restructuring advice.

2. Term of Agreement: This Agreement shall commence upon its execution by both parties and shall continue until the expiration of 30 days after either the Committee or Duff & Phelps gives written notice of termination to the other party. Upon any termination, the provisions of Paragraph 3 shall survive the termination of this Agreement to the extent such provisions relate to the payment of fees and expenses due or accrued on or before the effective date of termination. The provisions of Paragraphs 4 through 15 and Schedule I shall also survive the termination of this Agreement and shall remain in effect. Additionally, if this Agreement is terminated by the Committee, Duff & Phelps shall be entitled to payment of a Restructuring Fee (as defined below) if an agreement with respect to a Restructuring Transaction is entered into, announced or consummated within 12 months of the effective date of such termination.

3. Fees and Expenses: All fees and expenses hereunder shall be paid by the Debtors' estates subject to application to and allowance by the Bankruptcy Court. Subject to the foregoing, the Debtors shall be solely responsible for, and shall pay, the compensation and other amounts that are payable to Duff & Phelps hereunder and for certain other obligations specified herein (including without limitation the indemnification and other obligations in Schedule I). Neither the Committee nor its members will be responsible for paying Duff & Phelps' fees. As consideration for the services rendered and to be rendered by Duff & Phelps to and for the Committee, Duff & Phelps will be paid the following non-refundable amounts:

- (a) Monthly Fees: The Debtor shall be liable for and shall pay to Duff & Phelps a non-refundable cash fee of \$50,000 per month ("Monthly Fees"), which amount shall be paid in advance on the first business day of each month for each month of the engagement through the earlier of (i) termination of this Agreement in accordance with paragraph 2 hereof; or (ii) the effective date of a Restructuring Transaction. The first Monthly Fee shall be reduced pro rata to the number of days expired in the first month prior to the execution of this Agreement. 50.0% of all Monthly Fees paid with respect to the months following the second month of this engagement shall be credited (without duplication) against any Restructuring Fee payable; provided that such credit shall only apply to the extent that such fees are approved in entirety by the Bankruptcy Court, if applicable.
- (b) Restructuring Fee: In addition, if (i) any Restructuring Transaction is consummated, including, among other things and without limitation, a settlement of unsecured claims between the unsecured creditors and the Debtors prior to the agreement upon and/or confirmation of a chapter 11 plan or sale or transfer transaction (as contemplated herein) or (ii) an agreement in principle, definitive agreement or a Plan to effect a Restructuring Transaction is entered into and concurrently therewith or at any time thereafter (including following the expiration of the term of this engagement), any Restructuring Transaction is consummated pursuant to such agreement or Plan (as the same is amended or modified), Duff & Phelps shall be entitled to receive a restructuring fee in cash, contingent upon the consummation of a Restructuring Transaction and payable at the closing thereof, equal to the percentage recovery received by or to be received by the unsecured creditors in this matter upon consummation of the Restructuring Transaction in respect of their unsecured claims – in whatever form such recovery is conveyed – multiplied by \$700,000 (the "Restructuring Fee"). For the avoidance of doubt, if the unsecured

creditors were to receive a recovery equal to 95% of the face value of their claims, the Restructuring Fee payable to Duff & Phelps would be \$665,000 (calculated as .95 x \$700,000). In the event any claims by unsecured creditors are preserved through a post-bankruptcy trust or similar entity, Duff & Phelps shall be entitled to compensation up to the full amount – if not otherwise received – of the Fees contemplated herein with respect to any additional recoveries received therefrom.

- (c) Expense Reimbursement: The Debtors shall reimburse Duff & Phelps for its reasonable and documented out-of-pocket expenses incurred in connection with the services to be provided under this Agreement and the preparation of this Agreement on the first day of each month. Out-of-pocket expenses shall include, but not be limited to, all reasonable travel expenses, working and overtime meals, computer and research charges, reasonable attorney fees, messenger services and long-distance telephone calls incurred by Duff & Phelps in connection with the services to be provided.

"Restructuring Transaction" means any recapitalization, refinancing or restructuring (including, without limitation, through any exchange, conversion, cancellation, forgiveness, retirement and/or a material modification or amendment to the terms, condition or covenants thereof) of the Debtors' equity, debt securities, other indebtedness, obligations or liabilities (including capital stock, partnership interests, membership interests, lease obligations, trade credit facilities, contract or tort obligations, or other similar item), that is achieved, including without limitation, through a Chapter 11 plan of reorganization, exchange offer, tender, waiver, amendment, consent solicitation, rescheduling of debt maturities, changes in interest rates, settlement or forgiveness of debt, conversion of debt and/or other liabilities into equity, issuance of new securities, raising of new debt or equity capital (including amounts raised from the current debt holders and/or equity holders and including where raised solely for the purpose of avoiding defaults under existing credit agreements), or sale or other transfer, directly or indirectly of equity, control, assets or other interests of the Debtors whatsoever, whether in one or a series of transactions, acquisition, mergers or other business combinations or other similar transaction or series of transactions. Moreover, any settlement reached between the unsecured creditors and the Debtors with respect to a recovery of their unsecured claims that is achieved and consummated prior to the agreement upon and/or confirmation of a chapter 11 plan or sale or transfer transaction (as contemplated herein) shall constitute a Restructuring Transaction for the purposes of the calculation of the Restructuring Fee payable to Duff & Phelps.

4. Debtor Information and Coordination: The Debtors recognizes and confirms that in rendering services hereunder, Duff & Phelps will be using and relying on, and assuming the accuracy of, without any independent verification, data, material and other information (collectively, the "Information") furnished to Duff & Phelps by or on behalf of the Debtors or other third parties (including their agents, counsel, employees and representatives). The Committee understands that Duff & Phelps will not be responsible for independently verifying the accuracy of the Information and shall not be liable for inaccuracies in any such Information. Unless required by law (including pursuant to a subpoena or other legal process) and, to the extent practical, prior written notice is provided to the Debtors so that the Debtors may challenge such disclosure, Duff & Phelps will not disclose to any third party (other than Duff & Phelps' counsel) any confidential and proprietary information provided by the Debtors to Duff & Phelps, except (i) with the Debtors' consent or (ii) in furtherance of Duff & Phelps' engagement hereunder.

5. Indemnification: The Debtors shall provide indemnification and shall satisfy other obligations set forth in Schedule I hereto, which is an integral part hereof and is hereby incorporated by reference. Further, if an Indemnified Person (as defined in Schedule I) is

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requested or required to appear as a witness in any Action (as defined in Schedule I) that is brought by or on behalf of or against the Committee or the Debtors or that otherwise relates to this Agreement or the services rendered by Duff & Phelps hereunder, the Debtors shall reimburse Duff & Phelps and the Indemnified Person for all expenses incurred by them in connection with such Indemnified Person appearing or preparing to appear as such a witness, including without limitation, the fees and disbursements of legal counsel.

6. Bankruptcy Court Approval: This Agreement is subject to the entry of an order of the Bankruptcy Court approving the retention of Duff & Phelps pursuant to the terms hereof. The Committee shall, within three (3) business days from the signing of this Agreement by the parties, use commercially reasonable efforts to obtain prompt authorization of the retention of Duff & Phelps, nunc pro tunc to February 11, 2013, on the terms and provisions in this Agreement pursuant to section 328(a) of the Bankruptcy Code. The Committee shall supply Duff & Phelps with a draft of the retention application and proposed order prior to the filing of that application and proposed order to enable Duff & Phelps and its counsel to review and comment thereon. The form of order approving the Agreement and authorizing the retention of Duff & Phelps shall be acceptable to Duff & Phelps in its sole discretion. If the order authorizing the employment of Duff & Phelps is not obtained, or is later reversed or set aside for any reason, Duff & Phelps may terminate this Agreement, and the Debtors shall reimburse Duff & Phelps for all fees and expenses reasonably incurred prior to the date of expiration or termination, subject to the requirements of the Bankruptcy Code. The parties acknowledge that a substantial professional commitment of time and effort will be required by Duff & Phelps and its professionals hereunder, and that such commitment may foreclose other opportunities for Duff & Phelps. Moreover, the actual time and commitment required by the engagement may vary substantially from week to week or month to month, creating 'peak load' issues for Duff & Phelps. Given the numerous issues which may arise in this engagement, Duff & Phelps' commitment to the variable level of time and efforts necessary to address these issues, and the market prices for Duff & Phelps' engagements of this nature, the parties agree that the fee arrangement hereunder, pursuant to section 328(a) of the Bankruptcy Code, fairly compensates Duff & Phelps and provides certainty for the Committee. Duff & Phelps acknowledges that in the event that the Bankruptcy Court approves its retention by the Committee, Duff & Phelps' fees and expenses will be subject to the jurisdiction and approval of the Bankruptcy Court under section 328(a) of the Bankruptcy Code and any applicable fee and expense guideline orders; provided, however, that Duff & Phelps shall not be required to maintain time records. The terms of this paragraph are solely for the benefit of Duff & Phelps, and may be waived, in whole or in part, only by Duff & Phelps.

7. Entire Agreement; Counterparts; Validity and Enforceability: This Agreement constitutes the entire Agreement between the parties and supersedes and cancels any and all prior or contemporaneous arrangements, understandings and agreements, written or oral, between them relating to the subject matter hereof. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts. Each of such counterparts shall be deemed to be an original, and all of such counterparts, taken together, shall constitute but one and the same agreement. Delivery of an executed counterpart of this letter by telefacsimile or electronic mail shall be equally effective as delivery of a manually executed counterpart. This Agreement may not be amended or modified, nor may any provision be waived, except in writing signed by both parties. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining portions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

8. Affiliation: The Committee recognizes that Duff & Phelps has been retained only by the Committee and that the Committee's engagement of Duff & Phelps is not deemed to be on behalf of and is not intended to and does not confer rights upon the Debtors, any security holders of the

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Debtors or any officers, agents, employees or representatives of either the Debtors or any of the Debtors' affiliates. No one other than the Committee is authorized to rely upon the engagement of Duff & Phelps hereunder or any statements, advice, opinions or conduct of Duff & Phelps.

9. Advertisements: Upon completion of the transactions contemplated by this Agreement, Duff & Phelps may place advertisement in financial and other media at its own expense describing its services to the Committee hereunder.

10. Governing Law and Arbitration: This Agreement will be governed by, and construed in accordance with, the laws of the State of New York applicable to agreements made and to be performed entirely in such State, without giving effect to the choice of law provisions thereof. Unless the Bankruptcy Court entertains jurisdiction, each of the parties hereto agrees to submit any claim or dispute arising out of or related to this Agreement to private and confidential arbitration by a single arbitrator selected in accordance with the rules of the American Arbitration Association. Any such arbitration proceedings shall be governed by the Commercial Rules of Arbitration of the American Arbitration Association and shall take place in the Borough of Manhattan, New York City, New York. The arbitrator shall have the power to order discovery and the authority to award any remedy or relief that a court of the State of New York could order or grant, including, without limitation, specific performance. The decision of the arbitrator shall be final and binding on each of the parties and judgment thereon may be entered in any court having jurisdiction. Except for the Bankruptcy Court's exercising jurisdiction over any dispute, this arbitration procedure is intended to be the exclusive method of resolving any claim arising out of or related to this Agreement, including any claim as to the validity of this Agreement. Except for the Bankruptcy Court's exercising jurisdiction over any dispute, each party agrees to the personal and subject matter jurisdiction of the arbitrator for the resolution of any such claim, including any issue relating to this arbitration position. In the event of any arbitration arising out of or in connection with this Agreement, the prevailing party shall be entitled to an award of actual attorneys' fees and costs incurred in connection with the arbitration.

11. No Third Party Claims: No (a) direct or indirect holder of any equity interests or securities of Duff & Phelps whether such holder is a limited or general partner, member, stockholder or otherwise, (b) affiliate of Duff & Phelps, or (c) director, officer, employee, representative, or agent of Duff & Phelps, or of an affiliate of Duff & Phelps or of any such direct or indirect holder of any equity interests or securities of Duff & Phelps (collectively, the "Party Affiliates") shall have any liability or obligation of any nature whatsoever in connection with or under this Agreement or the transactions contemplated hereby, and the Committee and the Debtors waive and release all claims against such Party Affiliates related to any such liability or obligation.

12. Other Matters: If this letter correctly sets forth our Agreement on the matters covered herein, please so indicate by signing and returning the enclosed copy of this letter and signing and retaining the duplicate we are enclosing for your records. Upon execution by each party, this letter will constitute a legally binding Agreement between the Committee, the Debtors and Duff & Phelps.


[Remainder of page intentionally left blank. Signature page follows.]

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We trust the foregoing terms and provisions are agreeable to you, and request that you sign and return the enclosed copy of this Agreement to us at your earliest convenience.

Very truly yours,


DUFF & PHELPS SECURITIES, LLC

By: 
Name: Thomas Clark Carlson
Title: Managing Director

Agreed and Accepted:

The Creditors' Committee of Atari, Inc.

Digitally signed by Harvey Goldstein
DN: cn=Harvey Goldstein, o=Rackspace Hosting, ou=Revenue Operations
Manager, email=harvey.goldstein@rackspace.com, c=US

By: 
Name: Harvey Goldstein
Title: Committee Chairperson

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Schedule I

INDEMNIFICATION PROVISIONS

This Schedule I is a part of and is incorporated into that certain letter agreement (the "Agreement"), dated February 21, 2013, but effective nunc pro tunc to February 11, 2011, by the Official Committee of Unsecured Creditors (the "Committee") of Atari, Inc. and its associated debtors-in-possession that have commenced Chapter 11 Cases under chapter 11 of the Bankruptcy Code in the Bankruptcy Court (the "Debtors"), concerning the engagement of Duff & Phelps Securities, LLC ("Duff & Phelps") by the Committee. Capitalized terms not defined herein shall have the same meaning assigned in the Agreement.

The Debtors shall indemnify and hold harmless Duff & Phelps and its affiliates and their respective directors, officers, employees, attorneys and other agents appointed by any of the foregoing and each other person, if any, controlling Duff & Phelps or any of its affiliates (Duff & Phelps and each such person and entity being referred to as an "Indemnified Person"), from and against any finally determined losses, claims, damages, judgments, assessments, costs and other liabilities (collectively, "Liabilities"), and will reimburse each Indemnified Person for all fees and expenses (including the reasonable fees and expenses of counsel) (collectively, "Expenses") as they are incurred in investigating, preparing, pursuing or defending any claim, action, proceeding or investigation, whether or not in connection with pending or threatened litigation and whether or not any Indemnified Person is a party (collectively, "Actions"), arising out of or in connection with advice or services rendered or to be rendered by an Indemnified Person pursuant to the Agreement, the transaction contemplated thereby or any Indemnified Persons' actions or inactions in connection with any such advice, services or transaction (the "Services"); provided that the Debtors will not be responsible for any Liabilities or Expenses of any Indemnified Person that are determined by a judgment of a court of competent jurisdiction, which judgment is no longer subject to appeal or further review, to have resulted from such Indemnified Person's gross negligence or willful misconduct in connection with any of the advice, actions, inactions or services referred to above. The Debtors shall also reimburse such Indemnified Person for all Expenses as they are incurred in connection with enforcing such Indemnified Persons' rights under the Agreement (including without limitation its rights under this Schedule I). Such Indemnified Person shall reasonably cooperate with the defense of any Actions.

Upon receipt by an Indemnified Person of actual notice of an Action against such Indemnified Person with respect to which indemnity may be sought under the Agreement, such Indemnified Person shall promptly notify the Debtors in writing; provided that failure to so notify the Debtors shall not relieve the Debtors from any liability which the Debtors or any other person may have on account of this indemnity or otherwise, except to the extent the Debtors shall have been materially prejudiced by such failure. The Debtors shall, upon receipt of notice, assume the defense of any such Action including the employment of counsel reasonably satisfactory to Duff & Phelps or any other Indemnified Person, as applicable. Any Indemnified Person shall have the right to employ separate counsel in any Action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person, unless: (i) the Debtors have failed promptly to assume the defense and employ counsel or (ii) the named parties to any such Action (including any impleaded parties) include such Indemnified Person and the Debtors, and such Indemnified Person shall have been advised by counsel that there may be one or more legal defenses available to it which are different from or in addition to those available to the Debtors; provided that the Debtors shall not in such event be responsible hereunder for the fees and expenses of more than one separate counsel in connection with any Action in the same jurisdiction, in addition to any local counsel. The Debtors shall not be liable for any settlement of any Action effected without its written consent (which shall not be unreasonably withheld). In

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addition, the Debtors will not, without prior written consent of Duff & Phelps (which shall not be unreasonably withheld), settle, compromise or consent to the entry of any judgment in or otherwise seek to terminate any pending or threatened Action in respect of which indemnification or contribution may be sought hereunder (whether or not any Indemnified Person is a party thereto) unless such settlement, compromise, consent or termination includes an unconditional release of such Indemnified Person from all liabilities arising out of such Action.

In the event that the foregoing indemnity is not available to an Indemnified Person in accordance with the Agreement pursuant to the requirements of applicable law, the Debtors shall contribute to the Liabilities and Expenses paid or payable by such Indemnified Person in such proportion as is appropriate to reflect (i) the relative benefits to the Debtors, on the one hand, and to Duff & Phelps, on the other hand, of the matters contemplated by the Agreement, or (ii) if the allocation provided by the immediately preceding clause is not permitted by the applicable law, not only such relative benefits but also the relative fault of the Debtors, on the one hand, and Duff & Phelps, on the other hand, in connection with the matters as to which such Liabilities or Expenses relate, as well as any other relevant equitable considerations. For purposes of this paragraph, the relative benefits to the Debtors, on the one hand, and to Duff & Phelps, on the other hand, of the matters contemplated by this Agreement shall be deemed to be in the same proportion as (a) the total value paid or received or contemplated to be paid or received by the Debtors in the transaction, whether or not any transaction is consummated, bears to (b) the fees paid or payable to Duff & Phelps under the Agreement.

No Indemnified Person shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Debtors for or in connection with advice or services rendered or to be rendered by any Indemnified Person pursuant to the Agreement, the transactions contemplated thereby or any Indemnified Person's actions or inactions in connection with any such advice, services or transactions except for Liabilities (and related Expenses) of the Debtors that are determined by a judgment of a court of competent jurisdiction, which judgment is no longer subject to appeal or further review, to have resulted solely from such Indemnified Person's gross negligence or willful misconduct in connection with any such advice, actions, inactions or services.

These indemnification, contribution and other provisions of this Schedule I shall (i) remain operative and in full force and effect regardless of any termination of the Agreement or completion of the engagement by Duff & Phelps; (ii) inure to the benefit of any successors, assigns, heirs or personal representative of any Indemnified Person; and (iii) be in addition to any other rights that any Indemnified Person may have.

Subject to the preceding paragraph, the Debtors shall indemnify Duff & Phelps, in accordance with the Agreement and this Schedule I thereto for any claim arising from, related to, or in connection with the Services, but not for any claim arising from, related to, or in connection with Duff & Phelps' performance of any services other than the Services occurring following the commencement of the Chapter 11 cases unless such post-petition services and indemnification therefore are approved by the Bankruptcy Court.