

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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| In re: |) | Chapter 11 |
| ATARI, INC., <i>et al.</i> , |) | Case No. 13-10176 (JMP) |
| Debtors. ¹ |) | (Jointly Administered) |

**INTERIM ORDER AUTHORIZING, BUT NOT DIRECTING,
THE DEBTORS TO MAINTAIN A PREPETITION
INSURANCE PREMIUM FINANCE AGREEMENT**

Upon consideration of the motion (the “Motion”)² of the debtors and debtors-in-possession in the above-captioned chapter 11 cases (collectively, the “Debtors”) for entry of an interim order (this “Order”), pursuant to sections 105(a), 363(b), 364, 1107(a) and 1108 of Title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the “Bankruptcy Code”) and Rule 6003 of the Bankruptcy Rules authorizing, but not directing, the Debtors to maintain a prepetition insurance premium finance agreement, and the Court having held a hearing (the “Hearing”) on approval of the relief requested in the Motion and having considered the arguments of counsel made, and the evidence submitted, proffered or adduced at the Hearing; and the Court finding that: (a) it has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (b) venue of the chapter 11 cases and the Motion in this District is proper pursuant to 28 U.S.C. §§ 1408 and 1409; (c) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A); (d) proper and adequate notice of the Motion and the Hearing was adequate and appropriate under the particular circumstances; and (e) the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors and other parties in interest; and

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

² Unless otherwise defined herein, capitalized terms shall have the meanings ascribed to them in the Motion.

the Court having determined that the factual and legal bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein,

IT IS HEREBY ORDERED THAT:

1. The Motion is **GRANTED** on an interim basis as set forth in this Order.
2. The Debtors are authorized to continue and honor, in the ordinary course of business, the terms of the Financed Policy and the Premium Finance Agreement.
3. The Debtors are authorized to reissue a check for \$13,125.00 to PAC for the down payment due PAC under the Premium Finance Agreement as a result of a prepetition check having been dishonored by the Debtors' bank.
4. The Debtors are authorized to maintain their Financed Policy in the ordinary course of business and to pay outstanding prepetition premiums, if any, and to pay their regular monthly installment payments under the Premium Finance Agreement.
5. The banks and financial institutions on which checks drawn or electronic payment requests made in payment of any pre-Petition Date obligations approved herein are authorized and directed to receive, process, honor and pay all such checks and electronic payment requests when presented for payment, and that all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order.
6. Nothing in the Motion or this Interim Order or the relief granted (including any actions taken or payments made by the Debtors) shall be construed as (i) an admission as to the validity of any claim against the Debtors, (ii) waiver of the Debtors' or any party in interest's rights to dispute, contest, setoff, or recoup any claim, or assert any rights, claims, or defenses

related thereto, or (iii) an approval or assumption of any agreement, contract, program, policy or lease under section 365 of the Bankruptcy Code.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Interim Order in accordance with the Motion.

8. The requirements set forth in Bankruptcy Rule 6003 are satisfied by the contents of the Motion or otherwise waived.

9. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Local Bankruptcy Rules for the Southern District of New York are satisfied by such notice.

10. Notwithstanding Bankruptcy Rule 6004, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

11. This Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Order.

12. Any responses or objections to granting the relief requested in the Motion on a final basis shall be filed with the Clerk of the Bankruptcy Court electronically in accordance with the General Order M-399 (General Order M-399 and the User's Manual for the Electronic Case Filing System can be found at www.nysb.uscourts.gov, the official website for the Bankruptcy Court), and served so that they are received no later than three (3) business days prior to the Final Hearing at 4:00 p.m. (prevailing Eastern Time)(with a courtesy copy delivered directly to the Chambers of the Honorable James M. Peck, United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004) by: (i) proposed attorneys for the Debtors, Hunton & Williams LLP, 200 Park Avenue, 53rd Floor, New York, New York 10166, Attn: Peter S. Partee, Sr., Esq.; (ii) the Office of the United States Trustee, 33

Whitehall Street, 21st Floor, New York, New York 10004, Attn: Richard C. Morrissey, Esq.;
(iii) counsel for the proposed DIP lender, Bracewell & Giuliani LLP, 1251 Avenue of the
Americas, 49th Floor, New York, New York 10020, Attn: Robert G. Burns, Esq.; and (iv)
counsel for the statutory committee of unsecured creditors, once appointed.

13. The final hearing on the Motion shall be held on February 14, 2012 at 10:00 a.m.
(prevailing Eastern Time), or as soon thereafter as counsel may be heard.

Dated: New York, New York
January 24, 2013

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