

MARKS PANETH & SHRON LLP
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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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

**SECOND MONTHLY FEE STATEMENT OF MARKS PANETH & SHRON LLP
FOR COMPENSATION FOR SERVICES
AS AUDITORS TO THE DEBTORS 401(K) PROFIT SHARING PLAN FOR
THE PERIOD FROM SEPTEMBER 1, 2013 THROUGH SEPTEMBER 30, 2013**

Name of Applicant:	Marks Paneth & Shron LLP
Date of Retention:	Order entered on August 6, 2013 retaining Marks Paneth & Shron LLP (" Marks Paneth ") [Docket No. 336]
Period for which compensation and reimbursement is sought:	September 1, 2013 through September 30, 2013 (the " Fee Period ")
Amount of compensation sought as actual, reasonable and necessary:	\$8,751.00
Amount of expense reimbursement sought as actual, reasonable and necessary:	\$0.00

This statement is the second monthly fee statement (the "**Fee Statement**") of Marks Paneth, auditors to the 401(k) Profit Sharing Plan of the above-captioned debtors and debtors in possession (collectively, the "**Debtors**"), filed pursuant to the *Order Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals* [Docket No.

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

81] (the “*Interim Compensation Order*”). Marks Paneth requests payment in accordance with the provisions of the Interim Compensation Order in the amount of (i) \$7,000.80 (80% of \$8,751.00) on account of actual, reasonable and necessary professional services rendered to the Debtors by Marks Paneth during the Fee Period and (ii) \$0.00 on account of reimbursement of actual, reasonable and necessary costs and expenses incurred by Marks Paneth during the Fee Period.

Attached as **Exhibit A** hereto is a detailed itemization and description of the services that Marks Paneth rendered during the Fee Period. Specifically, with respect to each individual who provided services on the Debtors’ behalf during the Fee Period, Exhibit A (i) identifies the individuals that rendered services and, (ii) describes each activity or service that each individual performed, (iii) states the number of hours (in increments of one-tenth of an hour) spent by each individual providing the services. Attached as **Exhibit B** hereto is the number of hours (in increments of one-tenth of an hour) spent by each individual providing the services.

Notice

Marks Paneth has provided notice of this Fee Statement to: (i) the Debtors, Atari, Inc., 475 Park Avenue South, 12th Floor, New York, New York 10016 (Attn.: Kristen Keller, EVP and General Counsel); (ii) counsel to the DIP Lender, Bracewell & Giuliani LLP, 1251 Avenue of the Americas, 49th Floor, New York, New York 10020 (Attn.: Robert G. Burns, Esq. and Andrew J. Schouder, Esq.); (iii) counsel to the Official Committee of Unsecured Creditors, Cooley LLP, 1114 Avenue of the Americas, New York, New York 10036 (Attn.: Cathy Hershcopf, Esq. and Jeffrey Cohen, Esq.); and (iv) the Office of the United States Trustee for the Southern District of New York, 201 Varick Street, Room 1006, New York, New York 10014 (Attn.: Richard C. Morrissey, Esq.).

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WHEREFORE, pursuant to the Interim Compensation Order, Marks Paneth requests:
payment of compensation in the amount of \$7,000.80 (80% of \$8,751.00) on account of actual,
reasonable and necessary professional services rendered to the Debtors by Marks Paneth.

New York, New York
Dated: October 21, 2013

MARKS PANETH & SHRON LLP

By: /s/ Michael Fosorile

Michael Fosorile
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Auditors to the Debtors 401(k) Profit Sharing Plan

Exhibit A

Atari, Inc. 401(k) Profit Sharing Plan
EXHIBIT A

Professional Services Rendered by Marks Paneth & Shron LLP for the Period September 1, 2013 through September 30, 2013

Date	Name	Category	Description	Rate	Hours	Amount
9/18/13	Fosorile	CLIENT BILLING	preparation of interim application for compensation for the period 8/6/13-8/31/13	\$ 445.00	1.50	\$ 667.50
9/20/13	Fosorile	CLIENT BILLING	preparation of interim application for compensation for the period 8/6/13-8/31/13	\$ 445.00	1.50	\$ 667.50
			Subtotal - Fosorile		<u>3.00</u>	<u>\$ 1,335.00</u>
9/9/13	Piazza	QUALITY REVIEW	research and discuss benefit payment checks not cashed with hussain	\$ 480.00	0.50	\$ 240.00
			Subtotal - Piazza		<u>0.50</u>	<u>\$ 240.00</u>
9/6/13	Chen	WORK PAPER REVIEW	Review of audit programs related to limited scope investments, contributions received and receivable, participant data, benefit payments, participant loans and participant accounts	\$ 320.00	2.00	\$ 640.00
9/19/13	Chen	WORK PAPER REVIEW	Reviewed financial statement footnote disclosure support workpapers related to fair value of investments	\$ 320.00	1.00	\$ 320.00
9/19/13	Chen	WORK PAPER REVIEW	Reviewed participant data and accounts testing workpapers	\$ 320.00	2.00	\$ 640.00
9/19/13	Chen	WORK PAPER REVIEW	Reviewed audit programs and memos in the audit planning workpapers	\$ 320.00	2.50	\$ 800.00
9/19/13	Chen	WORK PAPER REVIEW	Reviewed preliminary and final analytical procedures of financial information of the plan performed for the audit and reviewed audit workpapers related to testing the timeliness of contributions made to the plan from participant payroll withholdings	\$ 320.00	2.50	\$ 800.00
9/24/13	Chen	WORK PAPER REVIEW	Reviewed permanent files and plan document for information needed for financial statement disclosures	\$ 320.00	2.80	\$ 896.00
9/24/13	Chen	WORK PAPER REVIEW	Reviewed audit workpapers related to testing of plan distributions to participants and participant loans	\$ 320.00	2.00	\$ 640.00
9/25/13	Chen	STATEMENT PREPARATION	Reviewed financial statements and made corrections on statements of net assets available for benefits	\$ 320.00	1.40	\$ 448.00
9/25/13	Chen	STATEMENT PREPARATION	Revised footnote 9 in financial statements - Delinquent participant contribution, based on additional information received from the plan	\$ 320.00	1.50	\$ 480.00
			Subtotal - Chen		<u>17.70</u>	<u>\$ 5,664.00</u>
9/9/13	Husain	FIELD WORK - YEAR END	address audit report comments related to the uncashed checks recorded in net plan disbursements	\$ 225.00	1.70	\$ 382.50

Atari, Inc. 401(k) Profit Sharing Plan
EXHIBIT A

Professional Services Rendered by Marks Paneth & Shron LLP for the Period September 1, 2013 through September 30, 2013

Date	Name	Category	Description	Rate	Hours	Amount
9/17/13	Husain	FIELD WORK - YEAR END	reviewed Plan documents and email to Ed Chen for further review for footnote disclosure	\$ 225.00	0.50	\$ 112.50
9/18/13	Husain	FIELD WORK - YEAR END	prepare memo for workpaper for prior year audit done by RNK	\$ 225.00	0.50	\$ 112.50
9/30/13	Husain	WORK PAPER REVIEW	revised memo for prior year audit done by RNK	\$ 225.00	0.50	\$ 112.50
Subtotal - Husain					3.20	\$ 720.00
9/4/13	Riccio	FIELD WORK - YEAR END	Perform post balance sheet review for subsequent events	\$ 165.00	1.00	\$ 165.00
9/5/13	Riccio	FIELD WORK - YEAR END	Discussion with client about possible financial statement disclosures	\$ 165.00	0.50	\$ 82.50
9/16/13	Riccio	STATEMENT PREPARATION	Update financial statement disclosures	\$ 165.00	0.30	\$ 49.50
9/17/13	Riccio	FIELD WORK - YEAR END	review audit confirmations received from plan participants and send second requests for confirmations not yet received	\$ 165.00	1.00	\$ 165.00
9/19/13	Riccio	FIELD WORK - YEAR END	Addressed and cleared Ed Chen's (audit manager) audit workpaper review points with additional information received from client	\$ 165.00	0.50	\$ 82.50
9/26/13	Riccio	FIELD WORK - YEAR END	Added new footnote language to the financial statements related to subsequent events and tax status of plan	\$ 165.00	1.50	\$ 247.50
Subtotal - Riccio					4.80	\$ 792.00
Total					29.20	\$ 8,751.00

Exhibit B

Atari, Inc. 401(k) Profit Sharing Plan

EXHIBIT B

Time Summary

September 1, 2013 through September 30, 2013

<u>Name/Title</u>	<u>Rate</u>	<u>Time</u>	<u>Amount</u>
Michael Fosorile, Partner	\$ 445.00	3.00	\$ 1,335.00
Rita Piazza, Director	\$ 480.00	0.50	240.00
Ed Chen, Senior Manager	\$ 320.00	17.70	5,664.00
Jamal Husain, Supervisor	\$ 225.00	3.20	720.00
John Riccio, Senior	\$ 165.00	4.80	792.00
Totals		<u>29.20</u>	<u>\$ 8,751.00</u>