

**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. <sup>1</sup>	)	
	)	(Jointly Administered)

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**ORDER AUTHORIZING THE DEBTORS TO FILE OMNIBUS  
CLAIM OBJECTIONS AND ESTABLISHING CLAIM SETTLEMENT PROCEDURES**

Upon the motion (the “*Motion*”)<sup>2</sup> of the Debtors seeking entry of an order (this “*Order*”) authorizing the Debtors to file omnibus objections to claims on certain substantive grounds and establishing procedures for settling certain claims without further Court approval (the “*Settlement Procedures*”); it appearing that the relief requested in the Motion is in the best interests of the Debtors and their estates, their creditors and other parties in interest; it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); it appearing that venue of this proceeding and this Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; due and proper notice of the Motion having been given; and after due deliberation and sufficient cause appearing therefor,

**IT IS HEREBY ORDERED THAT:**

1. The Motion is granted.
2. Notwithstanding anything to the contrary in Bankruptcy Rule 3007, the Debtors are hereby authorized, in addition to those grounds set forth in Bankruptcy Rule 3007(d), to file

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<sup>1</sup> The “*Debtors*” are Atari, Inc., Atari Interactive, Inc., Humongous, Inc., and California U.S. Holdings, Inc.

<sup>2</sup> Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Omnibus Objections to Claims seeking reduction, reclassification and/or disallowance of Claims on one or more of the following grounds (the “*Additional Permitted Grounds*”):

- (a) the amount claimed contradicts the Debtors’ books and records;
- (b) the claim was incorrectly classified;
- (c) the claim seeks recovery of amounts for which one or more Debtors are not liable; and
- (d) the claim is not accompanied by sufficient documentation to ascertain the validity of the claim.

3. The Debtors are authorized to file Omnibus Objections to no more than 100 Claims at a time on the Additional Permitted Grounds.

4. Except as provided herein, the Debtors shall comply with the requirements for Omnibus Objections set forth in Bankruptcy Rule 3007(e) and shall include a customized notice with each Omnibus Objection served upon a claimant providing the name and address of such claimant and the number of the claimant’s claim that is subject to objection.

5. Any order sustaining an Omnibus Objection shall be a final order with respect to each Claim subject to the order as if each Claim had been subject to an individual objection.

6. The Debtors are authorized to settle Claims in accordance with the following Settlement Procedures:

- (a) The Debtors will be authorized to settle any and all Claims asserted against the Debtors without a notice, hearing or prior approval of the Court or any other party in interest whenever the aggregate amount to be allowed for an individual Claim (the “*Settlement Amount*”) is less than or equal to \$150,000 (a “*De Minimis Settlement Amount*”).
- (b) If the Settlement Amount for a Claim is not a *De Minimis Settlement Amount* but is less than or equal to \$1 million, the Debtors will submit the proposed settlement to the Settlement Approval Parties. Within three (3) days of receiving the proposed settlement, the Settlement Approval Parties may object or request an extension of time within which to object. If there is a timely objection made by a Settlement Approval Party, the Debtors may either (i) renegotiate the settlement and submit a revised notification to the Settlement Approval Parties or (ii) file a motion with the Court seeking approval of the existing settlement under Bankruptcy Rule 9019 on no less than 7 days’ notice. If there is no timely objection made by the

Settlement Approval Parties to the proposed settlement or if the Debtors receive written approval from all of the Settlement Approval Parties of the proposed settlement prior to the objection deadline (which approval may be in form of an email from the counsel to a Settlement Approval Party), then the Debtors may proceed with the settlement.

- (c) If the Settlement Amount is not a *De Minimis* Settlement Amount and is greater than \$1 million, the Debtors will be required to seek the approval of this Court by way of a motion pursuant to Bankruptcy Rule 9019 on no less than 7 days' notice.
- (d) Under the Settlement Procedures, the Debtors may settle Claims where some or all of the consideration is being provided by a third party and/or where the Debtors are releasing claims against creditors or third parties.

7. The Debtors are authorized to take any and all steps that are necessary or appropriate to settle Claims in accordance with the Settlement Procedures.

8. Nothing in this Order shall obligate the Debtors to settle or pursue settlement of any particular Claim, and all settlements of Claims may be negotiated and compromised by the Debtors within their sole discretion.

9. Nothing in this Order shall constitute an admission of the validity, nature, amount or priority of any Claim asserted in these cases.

10. Entry of this Order is without prejudice to the Debtors' rights to seek entry of an order modifying or supplementing the relief granted herein.

11. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

12. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

Dated: New York, New York  
November 14, 2013



/s/ James M. Peck

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Honorable James M. Peck  
United States Bankruptcy Judge