

Frank Rimerman & Co LLP
Joseph Albero
One Embarcadero Center, Suite 2410
San Francisco, California 94111
Telephone (415)439-1141
Facsimile (415)296-8208

Tax Accountants to the Reorganized Debtors

**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)
)	

**COVER SHEET FOR FIRST AND FINAL APPLICATION OF
FRANK, RIMERMAN & CO. LLP, TAX ACCOUNTANTS TO THE DEBTORS
AND DEBTORS IN POSSESSION, FOR ALLOWANCE OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR SERVICES
DURING THE COMPENSATION
PERIOD FROM JANUARY 21, 2013 THROUGH DECEMBER 24, 2013**

Name of Applicant: Frank, Rimerman & Co LLP (Frank, Rimerman)

Authorized to Provide Professional Services to: Reorganized Debtors

Date of Retention: July 25, 2013 (*nunc pro tunc* to January 21, 2013)

Period for Which Compensation and Reimbursement is Being Sought: January 21, 2013
through December 24, 2013 (the "**Compensation Period**")

Amount of Compensation Sought as Actual, Reasonable and Necessary: \$74,495.00

Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary: \$4,259.00

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

ATARI, INC., ET AL.
COMPENSATION BY PROJECT CATEGORY
JANUARY 21, 2013 THROUGH DECEMBER 24, 2013

Project Category	Total Hours	Total Fees
Bankruptcy filing	69.50	\$35,762.50
BOE audit	2.50	\$800.00
Miscellaneous tax filing	39.50	\$8,860.00
Corporate tax return	113.00	\$28,477.50
Paraprofessional	3.50	\$595.00
Total		\$74,495.00

ATARI, INC. *ET AL.*
DISBURSEMENT SUMMARY
JANUARY 21, 2013 THROUGH DECEMBER 24, 2013

Computer Processing	\$4,146.00
Courier Service and Postage	\$113.00
TOTAL	\$4,259.00

ATARI INC., ET AL.
HOURS AND BILLING RATE SCHEDULE
JANUARY 21, 2013 THROUGH DECEMBER 24, 2013

PARTNERS	DEPARTMENT	STATE/YEAR LICENSED AS A CPA	HOURS	HOURLY BILLING RATE	AMOUNT
Joseph M. Albero	Tax Partner	New York CPA- 1993	38.00	\$610.00	\$23,180.00
SENIOR TAX ACCOUNTANTS & TAX ACCOUNTANTS	DEPARTMENT	STATE/YEAR LICENSED AS A CPA	HOURS	HOURLY BILLING RATE	AMOUNT
Elaine Leung	Tax Director	California - 1997	49.00	\$530.00	\$25,970.00
ASSOCIATES	DEPARTMENT	STATE/YEAR LICENSED AS A CPA	HOURS	HOURLY BILLING RATE	AMOUNT
Henry Godsey	Tax Associate	California - 2013	137.50	\$180.00	\$24,750.00
Judy Chew	Associate	N/A	3.50	\$170.00	\$595.00
TOTAL FEES REQUESTED					\$74,495.00

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

In re:) Chapter 11
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ATARI, INC., <i>et al.</i> ,) Case No. 13-10176 (JMP)
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Debtors. ¹) Jointly Administered
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**FIRST AND FINAL APPLICATION OF
FRANK, RIMERMAN & CO LLP, TAX ACCOUNTANTS TO THE DEBTORS
AND DEBTORS IN POSSESSION, FOR ALLOWANCE OF COMPENSATION
DURING THE COMPENSATION
PERIOD FROM JANUARY 21, 2013 THROUGH DECEMBER 24, 2013**

Frank, Rimerman & Co LLP, tax accountants to the Reorganized Debtors (the “Debtors”), hereby files its application (the “*Application*”), pursuant to sections 330 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*”), for final allowance of compensation for services rendered and reimbursement of expenses incurred in connection therewith, and respectfully represents as follows:

INTRODUCTION

1. By this Application, Frank, Rimerman & Co LLP seeks the (i) allowance and award of compensation for professional services rendered by Frank, Rimerman & Co LLP as tax

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

accountants for the Debtors during the period from January 21, 2013 through December 24, 2013 (the “*Final Compensation Period*”); (ii) reimbursement of actual and necessary expenses incurred by Frank, Rimerman & Co LLP during the Final Compensation Period in connection with the rendition of such professional and paraprofessional services; and (iii) final allowance and approval of compensation for the professional services rendered by Frank, Rimerman & Co LLP and reimbursement of Frank, Rimerman & Co LLP’s actual and necessary expensed incurred during the period from January 21, 2013 (the “*Frank, Rimerman & Co LLP Retention Date*”) through December 24, 2013 (the “*Effective Date*” and the period from the Frank, Rimerman & Co LLP Retention Date through the Effective Date constituting the “*Compensation Period*”).

2. Over the course of the almost eleven (11) months that these chapter 11 cases were pending, a successful reorganization of the Debtors was not always a certain outcome. Confirmation and consummation of the Debtors’ chapter 11 Plan (defined below) represents the successful culmination of significant efforts by the Debtors, the Creditors’ Committee (defined below), and other key stakeholders to maximize the value of the Debtors’ estates for all parties in interest. Indeed, the Plan provides a meaningful recovery for the Debtors’ general unsecured creditors even though such a recovery was uncertain when these chapter 11 cases were filed.

3. Of the many successes during these cases, the most significant achievements, which made this result possible are: (i) successful sales processes for a substantial portion of the Debtors’ assets that resulted in substantial proceeds for the Debtors’ estates and (ii) hard-fought settlements with the Debtors’ largest claimholders that formed the cornerstone of the consensual chapter 11 Plan. Notably, the Plan implements various critical creditor settlements with the Debtors’ largest claimholders and a global intercompany settlement that were negotiated among

the Debtors, the Creditors' Committee, and key stakeholders. Frank, Rimerman & Co LLP respectfully submits that its involvement in these cases on behalf of the Debtors directly and positively impacted the outcome of these cases and contributed meaningfully to the maximization of value for the benefit of all parties in interest. Frank, Rimerman & Co LLP's experience in tax accounting for the Debtors and its role in determining the tax consequences of the sale of assets played a role as a team member in the results and the successful conclusion of these cases. Ultimately, the Plan was supported by 100% of the votes in the general unsecured creditors' class.

JURISDICTION

4. This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

5. The statutory and other bases for the relief requested herein are (a): (i) Bankruptcy Code sections 330(a) and 331, (ii) Bankruptcy Rule 2016, (iii) Rule 2016-1 of the Local Rules for the United States Bankruptcy Court for the Southern District of New York (the "***Local Bankruptcy Rules***"), and (iv) the guidelines established by the Office of the United States Trustee (the "***UST Guidelines***"), the Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases adopted by the Court on June 20, 1991 (the "***Fee and Disbursement Guidelines***"), and the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases, adopted by the Court on November 25, 2009 (together with the UST Guidelines and the Fee and Disbursement Guidelines, the "***Guidelines***"); (b) the terms of the *Order Authorizing the Employment and Retention of Frank, Rimerman & Co LLP as Tax Accountants to the Debtors*

and Debtors in Possession Nunc Pro Tunc to January 21, 2013 dated July 25, 2013 [Docket No. 322] (the “**Retention Order**”) and (c) the *Order Establishing Procedures for Interim Monthly Compensation and Reimbursement of Expenses of Professionals* [Docket No. 81] (the “**Compensation Order**”).

BACKGROUND

6. On January 21, 2013 (the “**Petition Date**”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code (collectively, the “**Cases**”). The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to Bankruptcy Code sections 1107(a) and 1108. No request for the appointment of a trustee or an examiner has been made in these Cases.

7. By an order entered on January 24, 2013, the Cases have been consolidated for procedural purposes only and are being jointly administered [Docket No. 27]. On February 6, 2013, the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) appointed the Official Committee of Unsecured Creditors (the “**Committee**”) in these Cases [Docket No. 64].

8. On March 7, 2013, the Court entered a final order (the “**Final DIP Order**”) [Docket No. 125] approving the post-petition senior secured super-priority financing provided by Alden (the “**DIP Lender**”).

9. Subsequent to the Petition Date, the Debtors selected Frank, Rimerman & Co LLP as their tax accountants, and on July 25, 2013, the Court entered the Retention Order approving Frank, Rimerman & Co LLP’s retention [Docket No. 322].

10. On December 5, 2013, the Court entered an order [Docket No. 497] (the “**Confirmation Order**”) confirming the *Debtors’ Joint Plan of Reorganization Under Chapter 11*

of the Bankruptcy Code [Docket No. 379] (the “*Plan*”). On December 24, 2013 the Plan went effective [Docket No. 523].

**SUMMARY OF PROFESSIONAL COMPENSATION
AND REIMBURSEMENT OF EXPENSES REQUESTED**

11. Except with respect to payments made pursuant to the Retention Order, Frank, Rimerman & Co LLP has received no payment and no promises for payment from any source for services rendered in connection with the Cases. There is no agreement or understanding between Frank, Rimerman & Co LLP and any other person (other than members of Frank, Rimerman & Co LLP) for the sharing of compensation for the services rendered in these Cases.

12. The fees charged by Frank, Rimerman & Co LLP in these Cases are billed in accordance with its existing billing rates and procedures in effect during the Compensation Period. The rates Frank, Rimerman & Co LLP charges for the services rendered by its professionals and paraprofessionals in these Cases are comparable to rates Frank, Rimerman & Co LLP charges for professional and paraprofessional services rendered in non-bankruptcy related matters. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners in comparable non-bankruptcy cases in a competitive national public accounting market.

13. As stated in the Declaration of Joseph M. Albero, annexed hereto as **Exhibit A**, all of the services for which compensation is sought herein were rendered for or on behalf of the Debtors solely in connection with these Cases.

SUMMARY OF SERVICES PERFORMED BY FRANK, RIMERMAN & CO LLP

14. Since the Frank, Rimerman & Co LLP Retention Date, Frank, Rimerman & Co LLP has rendered professional tax services to the Debtors as requested as necessary and appropriate in furtherance of the Debtors’ interests. The variety and complexity of the issues in

these chapter 11 cases and the need to act or respond to such issues on an expedited basis in furtherance of the Debtors' needs have required the expenditure of substantial time by Frank, Rimerman & Co LLP personnel from numerous tax compliance matters and consulting issues on an as-needed basis.

A. The Compensation Period

15. Pursuant to the Compensation Order and the Plan, Frank, Rimerman & Co LLP seeks final allowance and approval of compensation for professional services rendered on behalf of the Debtors during the Compensation period in the aggregate amount of \$74,495.00 and reimbursement of expenses incurred in connection with such services in the aggregate amount of \$4,259.00, for a total allowance of \$78,754.00 for fees and expenses incurred. To date, Frank, Rimerman & Co LLP has received total payment of \$0.00 for accounting services rendered to the Debtors and \$0.00 for related expenses during the Compensation Period pursuant to the Compensation Order and Prior Interim Compensation Orders.

16. Frank, Rimerman & Co LLP professionals and paraprofessionals expended a total of 228 hours during the Compensation Period in rendering necessary and beneficial tax accounting services to the Debtors. A summary chart of the hours expended by each Frank, Rimerman & Co LLP professional and paraprofessional during the Compensation Period with a billing rate schedule is annexed hereto as **Exhibit D**. A summary chart of the services rendered during the Compensation Period organized by project category is annexed hereto as **Exhibit B**. A summary schedule of the categories of expenses and amounts in connection with the Compensation Period for which reimbursement is requested is annexed hereto as **Exhibit C**.

17. Frank, Rimerman & Co LLP respectfully submits that the professional services it rendered on behalf of the Debtors' throughout the Compensation Period were necessary and

appropriate and have directly contributed to the effective administration of the Cases and their successful conclusion.

B. Summary of Services Rendered During the Compensation Period and the Compensation Period

18. The following summary of services rendered during the Compensation Period and the Compensation Period is not intended to be a detailed description of the work performed because those day-to-day services and the time expended in performing such services are fully set forth in **Exhibit B**. Rather, it is merely an attempt to highlight certain of those areas in which services were rendered to the Debtors, as well as, to identify some of the problems and issues that Frank, Rimerman & Co LLP was required to address during the Compensation Period.

i. Sales Tax Accounting Compliance

19. A portion of the services rendered during the Compensation Period concerned the filing of state and local sales tax returns. Specifically, Frank, Rimerman & Co LLP performed, among others, the following compliance tasks:

- Filed state and local sales tax returns
- Responded to state inquiries re tax filings
- Represented the company against state sales tax audits

ii. Consulting re Tax issues in Bankruptcy filing

20. During the Compensation Period, Frank, Rimerman consulted, modeled and researched various issues that pertained to the Bankruptcy filing and impact on federal and state tax issues relating to the tax consequences resulting from a sale of assets. Frank, Rimerman researched, evaluated, consulted with debtors and their counsel regarding strategies to preserve the various tax attributes, credits and net operating losses resulting from the Debtors' operations.

iii. Monthly Fee Statements of Frank, Rimerman & Co LLP and Other Case Professionals

21. During the Compensation Period, as directed by the Retention Order and Compensation Order, Frank, Rimerman & Co LLP prepared each of its Monthly Fee Statements. Further, Frank, Rimerman & Co LLP reviewed, analyzed and edited its time entries to protect against the disclosure of privileged information and to ensure compliance with the Guidelines, the Compensation Order and applicable Bankruptcy Code provisions.

22. Throughout the Compensation Period, Frank, Rimerman & Co LLP: (i) reviewed the monthly fee statements of other professionals retained in these Cases to identify any issues regarding such fees and to ensure compliance with the Local Rules and Guidelines; (ii) responded to inquiries regarding monthly fee statements from the Debtors' other professionals and assisted with filings of same; and (iii) tracked the amount of fees and expenses cumulatively requested by each professional in each of their monthly fee statements and coordinated payment of such professional's fees and expenses in accordance with the Compensation Order.

iv. Prepared corporate income tax returns

23. During the Compensation Period, Frank, Rimerman prepared the federal and state corporate income tax returns for the tax year ended March 31, 2013. Frank, Rimerman worked with the Debtors and their consultants in obtaining and reviewing the information necessary to prepare complete and accurate tax returns given the limited resources of the Debtor. In addition, Frank, Rimerman consulted with the Debtors regarding best practices for filing tax returns and requesting a quick audit determination letter from federal and state taxing authorities.

FACTORS TO BE CONSIDERED IN AWARDING ACCOUNTANT'S FEES

24. The factors to be considered in awarding professionals' fees have been enumerated in *Red Carpet Corp. of Panama City Beach v. Miller*, 708 F.2d 1576, 1578 (11th

Cir. 1983) (citing *Robinson v. Am. Benefit Life Ins. Co. (In re First Colonial Corp. of Am.)*, 544 F.2d 1291, 1298-99 (5th Cir. 1977)), and have been adopted by most courts. Frank, Rimerman & Co LLP respectfully submits that a consideration of these factors should result in this Court's allowance of the full compensation sought in this Application.

ALLOWANCE OF COMPENSATION

25. The professional services rendered by Frank, Rimerman & Co LLP during the Compensation Period required a high degree of professional competence and expertise so that the numerous issues requiring evaluation and determination by the Debtors could be addressed with skill and dispatch and have, therefore, required the expenditure of substantial time and effort by Frank, Rimerman & Co LLP. It is respectfully submitted that Frank, Rimerman & Co LLP performed the services set forth herein efficiently, effectively and economically, and the results obtained benefited the Debtors' estates, and concomitantly, the Debtors' creditors.

26. With respect to the level of compensation, Bankruptcy Code section 330(a)(1) provides, in pertinent part, that the Court may award to a professional person "reasonable compensation for actual, necessary services rendered" Section 330(a)(3), in turn, provides that:

In determining the amount of reasonable compensation to be awarded, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including –

- (A) the time spent on such services;
- (B) the rates charged for such services;
- (C) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this title;
- (D) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed; and
- (E) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title.

11 U.S.C. §330(a)(3). The clear Congressional intent and policy expressed in the foregoing statute is to provide for adequate compensation in order to continue to attract qualified and competent bankruptcy practitioners to bankruptcy cases.

27. The time spent by Frank, Rimerman & Co LLP accountants and paraprofessionals during the Compensation Period totaled 228 hours. The work involved, and thus the time expended, was carefully assigned in light of the experience and expertise required for a particular task.

28. As shown by this Application and supporting documents, Frank, Rimerman & Co LLP spent its time economically and without unnecessary duplication of time. Attached hereto as **Exhibits D** is a schedule of the hours expended by Frank, Rimerman & Co LLP's professionals and paraprofessionals during the Compensation Period, their normal hourly rates and the value of their services.

29. Frank, Rimerman & Co LLP incurred actual out-of-pocket expenses in connection with the rendition of the professional services to the Debtors during the Compensation Period in the amount of \$4,259.00, for which Frank, Rimerman & Co LLP respectfully requests reimbursement in full. The disbursements and expenses have been incurred in accordance with Frank, Rimerman & Co LLP's normal practice of charging clients for expenses clearly related to and required by the engagement. Frank, Rimerman & Co LLP has endeavored to minimize these expenses to the fullest extent possible. A schedule of the categories of expenses and amounts for which reimbursement is requested that were incurred during the Compensation Period is attached hereto as **Exhibits C**.

30. Frank, Rimerman & Co LLP's billing rates do not include charges for photocopying, telephone and facsimile charges, computerized research, travel expenses,

“working meals,” secretarial overtime, postage and certain other office services, because the needs of each client for such services differ. Frank, Rimerman & Co LLP believes that it is equitable to charge each client only for the services actually used in performing services for such client. Frank, Rimerman & Co LLP does not charge for long distance telephone calls, incoming facsimile transmissions or computer printing.

31. No agreement or understanding exists between Frank, Rimerman & Co LLP and any other person (other than members of Frank, Rimerman & Co LLP) for the sharing of any compensation to be received for professional services rendered or to be rendered in connection with these Cases.

32. Except for the Prior Interim Fee Applications, no prior application has been made in this Court or in any other court for the relief requested herein for the Compensation Period.

RESERVATION

33. 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 the Application, or Frank, Rimerman & Co LLP has for any other reason not sought compensation or reimbursement of expenses herein with respect to any services rendered or expenses incurred during the Compensation Period, Frank, Rimerman & Co LLP reserves the right to request additional compensation for such services and reimbursement of such expenses in a future application.

NOTICE

34. Frank, Rimerman & Co LLP has (a) provided notice of this Application to: (i) the Reorganized Debtors, Atari, Inc., 475 Park Avenue South, 12th Floor, New York, New York 10016 (Attn.: Kristen Keller, Executive Vice President and General Counsel); (ii) counsel to the

Debtors, Akin Gump Strauss Hauer & Feld LLP, One Bryant Park, New York, New York 10036 (Attn.: Ira S. Dizengoff, Esq. and Kristine Manoukian Esq.) and Robert S. Strauss Building, 1333 New Hampshire Avenue, N.W., Washington, District of Columbia 20036 (Attn.: Scott L. Alberino, Esq.); (iii) 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.); (iv) counsel to the Committee, Cooley LLP, 1114 Avenue of the Americas, New York, New York 10036 (Attn.: Cathy Hershcopf, Esq. and Jeffrey Cohen, Esq.); (v) the U.S. Trustee, 201 Varick Street, Suite 1006, New York, New York 10014 (Attn.: Richard C. Morrissey, Esq.); (vi) Allen & Overy LLP, 1221 Avenue of the Americas, New York, New York 10020 (Attn: Ken Coleman, Esq.), counsel for Atari, S.A.; (vii) the Internal Revenue Service; (viii) the New York State Attorney General; (ix) Atari, S.A., 475 Park Avenue South, 12th Floor, New York, New York 10016 (Attn: Frederic Chesnais, CEO); (x) counsel to the Reorganized Debtors, Olshan Frome Wolosky LLP, Park Avenue Tower, 65 East 55th Street, New York, NY 10022 (Attn: Michael Fox, Esq. and Jordanna Nadritch, Esq.); and (xi) those persons or entities who have formally appeared and requested service in these chapter 11 cases pursuant to Bankruptcy Rule 2002; and (b) made the Application available to any party in interest upon request.

WHEREFORE, Frank, Rimerman & Co LLP respectfully requests that this Court enter an order:

- a. Approving and granting the final allowance of \$74,495.00 for compensation for professional services rendered to the Debtors during the period from January 21, 2013 through December 24, 2013,
- b. Approving the reimbursement of actual and necessary expenses incurred by Frank, Rimerman & Co LLP on behalf of the Debtors during the period from January 21, 2013 through December 24, 2013 in the amount of \$4,259.00;
- c. Authorizing and directing the Debtors and/or the post-effective date Debtors to pay such fees and expenses less any amounts previously paid by the Debtors to Frank, Rimerman & Co LLP on account of such fees and expenses; and
- d. Granting such other and further relief as this Court may deem just, proper and equitable.

San Francisco, California
Dated: January 24, 2014

FRANK, RIMERMAN & CO LLP

By: /s/ Joseph M. Albero

Joseph M. Albero

One Embarcadero Center, Suite 2410

San Francisco, CA 94111

Telephone (415)439-1141

Facsimile (415)296-8208

Jalbero@frankrimerman.com

Tax Accountants to the Reorganized Debtors

EXHIBIT A

DECLARATION OF JOSEPH M. ALBERO

Frank, Rimerman & Co. LLP
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San Francisco, California 94111
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Facsimile (415)296-8208

Tax Accountants to the Reorganized Debtors

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

In re:

ATARI, INC., *et al.*,¹

Debtors.

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) Chapter 11
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) Case No. 13-10176 (JMP)
)
)
) (Jointly Administered)
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**DECLARATION OF JOSEPH M. ALBERO IN
SUPPORT FINAL APPLICATION OF
FRANK, RIMERMAN & CO LLP, TAX ACCOUNTANTS TO THE DEBTORS
AND DEBTORS IN POSSESSION, FOR ALLOWANCE OF COMPENSATION AND
REIMBURSEMENT OF EXPENSES FOR SERVICES RENDERED
DURING THE COMPENSATION
PERIOD FROM JANUARY 21, 2013 THROUGH DECEMBER 24, 2013**

I, Joseph M. Albero, hereby declare:

1. I am a member of the firm of Frank, Rimerman & Co LLP ("***Frank, Rimerman***"), which firm maintains offices for the practice as certified public accountants at One Embarcadero Center, Suite 2410, San Francisco, California 94111. Frank, Rimerman & Co LLP has acted as tax accountants to, and rendered professional services on behalf of, the Debtors since January 21, 2013.

2. This Declaration is submitted pursuant to Bankruptcy Rule 2016(a) in support of the First and Final Application of Frank, Rimerman & Co LLP, Tax Accountants to the Reorganized Debtors, for

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

Allowance of and Reimbursement of Expenses for Services Rendered During the Compensation Period from January 21, 2013 through December 24, 2013 (the “*Application*”).²

3. I am authorized to submit this Declaration on behalf of Frank, Rimerman & Co LLP and, if called upon to testify, I could and would testify competently to the facts set forth herein.

4. In accordance with General Order M-389 section A.1, I hereby certify that (i) I have read the Application, (ii) to the best of my knowledge, information and belief formed after reasonable inquiry, the fees and expenses sought in the Application comply within General Order M-389 and the United States Trustee Guidelines, (iii) the fees and expenses sought in the Application are billed at rates and in accordance with practices customarily employed by Frank, Rimerman & Co LLP and generally accepted by Frank, Rimerman & Co LLP’s clients and (iv) in providing a reimbursable service, Frank, Rimerman & Co LLP does not make a profit on that service, whether the service is performed by Frank, Rimerman & Co LLP in-house or through a third party.

5. As required by General Order M-389 section A.2, I certify that Frank, Rimerman & Co LLP’s monthly statements have been sent to tax accountants to the Committee, the Debtors and the U.S. Trustee, among others.

6. As required by General Order M-389 section A.3, I certify that the tax accountants to the Committee, the Debtors and the U.S. Trustee, among others, will each be timely provided with a copy of the Application.

7. No payments made by the Debtors to Frank, Rimerman & Co LLP have been shared by Frank, Rimerman & Co LLP with any other party, nor are these or any other payments subject to a sharing agreement between Frank, Rimerman & Co LLP and any third party.

² Capitalized terms not defined herein shall have the meaning ascribed to them in the Application.

8. All services for which compensation is requested by Frank, Rimerman & Co LLP were professional and paraprofessional services performed for and on behalf of the Debtors and not on behalf of any other person or entity.

9. Neither I nor any member or associate of Frank, Rimerman & Co LLP has entered into any agreement, express or implied, with any other party in interest for the purpose of fixing the amount of any of the fees or other compensation to be allowed out of or paid from the Debtors' estates.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 24, 2014

/s/ Joseph M. Albero

Joseph M. Albero

EXHIBIT B

**ATARI, INC., *ET AL.*
COMPENSATION BY PROJECT CATEGORY
JANUARY 21, 2013 THROUGH DECEMBER 24, 2013**

Project Category	Total Hours	Total Fees
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EXHIBIT C

**ATARI, INC. *ET AL.*
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JANUARY 21, 2013 THROUGH DECEMBER 24, 2013**

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TOTAL	\$4,259.00

EXHIBIT D

**ATARI INC., ET AL.
HOURS AND BILLING RATE SCHEDULE
JANUARY 21, 2013 THROUGH DECEMBER 31, 2013**

PARTNERS	DEPARTMENT	STATE/YEAR LICENSED AS A CPA	HOURS	HOURLY BILLING RATE	AMOUNT
Joseph M. Albero	Tax Partner	New York CPA– 1993	38.00	\$610.00	\$23,180.00
SENIOR TAX ACCOUNTANTS & TAX ACCOUNTANTS	DEPARTMENT	STATE/YEAR LICENSED AS A CPA	HOURS	HOURLY BILLING RATE	AMOUNT
Elaine Leung	Tax Director	California - 1997	49.00	\$530.00	\$25,970.00
ASSOCIATES	DEPARTMENT	STATE/YEAR LICENSED AS A CPA	HOURS	HOURLY BILLING RATE	AMOUNT
Henry Godsey	Tax Associate	California - 2013	137.50	\$180.00	\$24,750.00
Judy Chew	Associate	N/A	3.50	\$170.00	\$595.00
TOTAL FEES REQUESTED					\$74,495.00

EXHIBIT E

DETAILED TIME RECORDS

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 11/18/2013

Invoice Number: 95818 Jan
Client Number: 25455.T21

Certified
Public
Accountants

For professional tax consulting services rendered between January 21, 2013
and January 31, 2013 in connection with:

Palo Alto
San Francisco
San Jose
St. Helena
New York

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
Bankruptcy filing and auction					
J. Albero	Accountant	Partner	1.50	610.00	915.00
Board of Equalization audit					
E. Leung	Accountant	Director	1.00	530.00	530.00
H. Godsey	Accountant	Associate	1.25	180.00	225.00
Miscellaneous tax filing					
E. Leung	Accountant	Director	1.25	530.00	662.50
H. Godsey	Accountant	Associate	7.25	180.00	1,305.00
Support Services					
J. Chew	Support	Associate	2.00	170.00	<u>340.00</u>

Current Amount Due \$ 3,977.50

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 11/18/2013
Invoice Number: 95818 Feb
Client Number: 25455.T21

Certified
Public
Accountants

For professional tax consulting services rendered between February 1, 2013
and February 21, 2013 in connection with:

Palo Alto
San Francisco
San Jose
St. Helena
New York

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
Bankruptcy filing and auction					
J. Albero	Accountant	Partner	1.00	610.00	610.00
Board of Equalization audit					
H. Godsey	Accountant	Associate	0.25	180.00	45.00
Miscellaneous tax filing					
E. Leung	Accountant	Director	1.25	530.00	662.50
H. Godsey	Accountant	Associate	2.50	180.00	450.00
Support Services					
J. Chew	Support	Associate	1.25	170.00	<u>212.50</u>

Current Amount Due \$ 1,980.00

Payment Due Upon Receipt of Invoice
Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 11/18/2013

Invoice Number: 95818 Mar
Client Number: 25455.T21

Certified
Public
Accountants

Palo Alto
San Francisco
San Jose
St. Helena
New York

For professional tax consulting services rendered between March 1, 2013
and March 31, 2013 in connection with:

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
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Bankruptcy filing and auction

J. Albero	Accountant	Partner	3.50	610.00	2,135.00
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Miscellaneous tax filing

H. Godsey	Accountant	Associate	2.00	180.00	360.00
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Current Amount Due \$ 2,495.00

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 11/18/2013
Invoice Number: 95818 Apr
Client Number: 25455.T21
Certified
Public
Accountants

For professional tax consulting services rendered between April 1, 2013
and April 30, 2013 in connection with:

Palo Alto
San Francisco
San Jose
St. Helena
New York

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
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Bankruptcy filing and auction

J. Albero	Accountant	Partner	3.00	610.00	1,830.00
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Miscellaneous tax filing

E. Leung	Accountant	Director	0.25	530.00	132.50
H. Godsey	Accountant	Associate	3.50	180.00	630.00

Current Amount Due \$ 2,592.50

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
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475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 11/18/2013

Certified
Public
Accountants

Invoice Number: 95818 May
Client Number: 25455.T21

Palo Alto
San Francisco
San Jose
St. Helena
New York

For professional tax consulting services rendered between May 1, 2013
and May 31, 2013 in connection with:

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
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Bankruptcy filing and auction

J. Albero	Accountant	Partner	11.25	610.00	6,862.50
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Preparation of corporate income tax return

H. Godsey	Accountant	Associate	1.75	180.00	315.00
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Miscellaneous tax filing

E. Leung	Accountant	Director	1.00	530.00	530.00
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H. Godsey	Accountant	Associate	1.75	180.00	315.00
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Support Services

J. Chew	Support	Associate	0.25	170.00	42.50
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Current Amount Due \$ 8,065.00

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 11/18/2013
Invoice Number: 95818 Jun
Client Number: 25455.T21

Certified
Public
Accountants

For professional tax consulting services rendered between June 1, 2013
and June 27, 2013 in connection with:

Palo Alto
San Francisco
San Jose
St. Helena
New York

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
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Bankruptcy filing and auction

J. Albero	Accountant	Partner	3.00	610.00	1,830.00
E. Leung	Accountant	Director	12.00	530.00	6,360.00

Preparation of corporate income tax return

E. Leung	Accountant	Director	0.50	530.00	265.00
H. Godsey	Accountant	Associate	6.75	180.00	1,215.00

Miscellaneous tax filing

H. Godsey	Accountant	Associate	10.25	180.00	1,845.00
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Current Amount Due \$ 11,515.00

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 11/18/2013

Invoice Number: 95818 Jul
Client Number: 25455.T21

Certified
Public
Accountants

For professional tax consulting services rendered between July 1, 2013
and July 31, 2013 in connection with:

Palo Alto
San Francisco
San Jose
St. Helena
New York

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
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Bankruptcy filing and auction

J. Albero	Accountant	Partner	3.25	610.00	1,982.50
E. Leung	Accountant	Director	7.75	530.00	4,107.50
H. Godsey	Accountant	Associate	11.75	180.00	2,115.00

Preparation of corporate income tax return

E. Leung	Accountant	Director	0.50	530.00	265.00
H. Godsey	Accountant	Associate	1.25	180.00	225.00

Miscellaneous tax filing

H. Godsey	Accountant	Associate	1.25	180.00	225.00
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Current Amount Due \$ 8,920.00

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 11/18/2013

Invoice Number: 95818 Aug
Client Number: 25455.T21

Certified
Public
Accountants

For professional tax consulting services rendered between August 1, 2013
and August 31, 2013 in connection with:

Palo Alto
San Francisco
San Jose
St. Helena
New York

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
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Bankruptcy filing and auction

J. Alberio	Accountant	Partner	1.50	610.00	915.00
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Miscellaneous tax filing

E. Leung	Accountant	Director	0.75	530.00	397.50
H. Godsey	Accountant	Associate	2.75	180.00	495.00

Current Amount Due \$ 1,807.50

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 12/18/2013
Invoice Number: 99450 Sep
Client Number: 25455.T21
Certified
Public
Accountants

For professional tax consulting services rendered between September 1, 2013
and September 30, 2013 in connection with:

Name: Profession: Title: Hours: Rate/Hour (\$): Total (\$):

Consulting related to bankruptcy filing

J. Alberio	Accountant	Partner	0.50	610.00	305.00
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Miscellaneous tax filing

E. Leung	Accountant	Director	0.25	530.00	132.50
H. Godsey	Accountant	Associate	0.75	180.00	135.00

Current Amount Due \$ 572.50

Palo Alto
San Francisco
San Jose
St. Helena
New York

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 12/18/2013

Invoice Number: 99450 Oct
Client Number: 25455.T21

Certified
Public
Accountants

For professional tax consulting services rendered between October 1, 2013
and October 31, 2013 in connection with:

Palo Alto
San Francisco
San Jose
St. Helena
New York

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
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Consulting related to bankruptcy filing

J. Alberio	Accountant	Partner	0.50	610.00	305.00
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Miscellaneous tax filing

E. Leung	Accountant	Director	0.25	530.00	132.50
H. Godsey	Accountant	Associate	2.50	180.00	450.00

Preparation of corporate income tax return

E. Leung	Accountant	Director	0.25	530.00	132.50
H. Godsey	Accountant	Associate	8.50	180.00	1,530.00

Current Amount Due \$ 2,550.00

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group
Attn: Mr. Robert Mattes
c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 12/18/2013

Invoice Number: 99450 Nov
Client Number: 25455.T21

Certified
Public
Accountants

For professional tax consulting services rendered between November 1, 2013
and November 30, 2013 in connection with:

Palo Alto
San Francisco
San Jose
St. Helena
New York

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
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Consulting related to bankruptcy filing

J. Alberio	Accountant	Partner	0.75	610.00	457.50
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Preparation of corporate income tax return

E. Leung	Accountant	Director	1.00	530.00	530.00
H. Godsey	Accountant	Associate	16.00	180.00	2,880.00

Direct Expense - FedEx

53.00

Current Amount Due \$ 3,920.50

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100

Frank, Rimerman + Co. LLP

Atari Group

c/o California U.S. Holdings, Inc.
475 Park Avenue South, 12th Floor
New York, NY 10016

Invoice Date: 1/15/2014

Certified
Public
Accountants

Invoice Number: 100150
Client Number: 25455.T21

For professional tax consulting services rendered between December 1, 2013
and December 24, 2013 in connection with:

Palo Alto
San Francisco
San Jose
St. Helena
New York

Name:	Profession:	Title:	Hours:	Rate/Hour (\$):	Total (\$):
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Consulting related to bankruptcy filing

J. Alberio	Accountant	Partner	8.25	610.00	5,032.50
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Preparation of corporate income tax return

E. Leung	Accountant	Director	21.00	530.00	11,130.00
H. Godsey	Accountant	Associate	55.50	180.00	9,990.00

Direct Expenses

Computer processing charges
FedEx

4,146.00
60.00

Current Amount Due \$ 30,358.50

Payment Due Upon Receipt of Invoice

Please include your client number and remit payment to Dept.#2626 P.O. Box 39290 Los Angeles, CA 90039-0290
(650) 845-8100